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ABSTRACT

As the first of 2 volumes of a survey of contemporary (1966) economic, political, and educational needs of Indians of Canada, this study viewed the difficulties Indians have faced economically and politically. The study took over 2 years to complete, and over 40 scholars participated using interviews, firsthand observations, and questionnaires to gather data. It was noted that personal disorganization is the explanation for the Indian's failure to develop economically, which results in his failure to adjust to the dominant culture. Lack of economic development was reported as the overriding problem confronting the Canadian Indian. The document also viewed the argument of the Indian's right to citizenship status. It was recommended that sources of action be provided which would be profitable for the Indian in terms of improving his position to make his choice in life. Educational needs of Canadian Indians were surveyed in Volume II, ED 035 466. (EL)

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# A SURVEY
# OF
# THE CONTEMPORARY INDIANS
# OF CANADA

## Economic, Political, Educational Needs and Policies

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## PART 1

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# A SURVEY OF THE CONTEMPORARY INDIANS OF CANADA

## A Report on Economic, Political, Educational Needs and Policies

In Two Volumes

Editor, H. B. Hawthorn

Principal authors
of Volume I: H. A. C. Cairns
S. M. Jamieson
K. Lysyk

Principal authors
of Volume II M.-A. Tremblay
F. G. Vallee
J. Ryan

Indian Affairs Branch, Ottawa

Volume I

October 1966

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M. J. Audain

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L. Laforest

D. Luth

M. J. Lythgoe

R. F. McDonnell

J. E. Nicholls

G. Parsons

E. Schwimmer

To The Honourable Arthur Laing, P.C., M.P.
Minister of Indian Affairs and Northern Development
400 Laurier Avenue West
Ottawa 4, Ontario

In 1964 the Minister of Citizenship and Immigration asked The University of British Columbia to undertake, in conjunction with scholars in other universities, a study of the social, educational and economic situation of the Indians of Canada and to offer recommendations where it appeared that benefits could be gained.

We have the honour to submit Part 1 of the findings, concerned primarily with economic, political and administrative matters.

M.-A. Tremblay
Associate Director

H. B. Hawthorn
Director

## TABLE OF CONTENTS

I

INTRODUCTION AND RECOMMENDATIONS . . . . . . . . . 5

II

THE CONCEPT AND GOALS OF ECONOMIC DEVELOPMENT . . . . 21

III

SOURCES AND METHOD OF THE ECONOMIC SURVEY . . . . . 35

IV

THE GENERAL PICTURE . . . . . . . . . . . . 45

V

COMPARATIVE ECONOMIC DEVELOPMENT AMONG VARIOUS INDIAN BANDS IN CANADA . . . . . . . . . . 65

VI

SOCIO-ECONOMIC FACTORS AFFECTING ECONOMIC DEVELOPMENT . . 101

VII

SOCIO-CULTURAL FACTORS INFLUENCING ECONOMIC DEVELOPMENT . 119

VIII

MAJOR TRENDS AND PROCESSES OF ECONOMIC DEVELOPMENT FOR INDIANS . . . . . . . . . . . . . 135

IX

GENERAL PROSPECTS BY MAJOR REGIONS . . . . . . 145

X

CONCLUSIONS ON THE MAJOR ECONOMIC ISSUES . . . . . 163

XI

THE CANADIAN FEDERAL SYSTEM . . . . . . . . . . . 199

XII

THE LEGAL STATUS OF CANADIAN INDIANS . . . . . . . 211

XIII

INDIANS AND THE FRANCHISE . . . . . . . . . . . 255

XIV

INDIAN LOCAL GOVERNMENT . . . . . . . . . . . . 263

XV

INDIANS AND WELFARE SERVICES . . . . . . . . . . 312

XVI

INTER-GOVERNMENTAL RELATIONS . . . . . . . . . . 344

XVII

THE POLITICS OF INDIAN AFFAIRS . . . . . . . . . 360

XVIII

FEDERAL AND PROVINCIAL ROLES IN INDIAN AFFAIRS . . . . . 386

## LOCATION OF FIELD AND OTHER RESEARCH BY STAFF -- INDIAN RESEARCH PROJECT

| Name | Main Topic and Region | | Period |
|---|---|---|---|
| Dr. M.A. Tremblay | Education | Data collection and interviews in Ottawa and in various centres.<br>Reserves: Maria, Restigouche, La Romaine, Mingan, Natashquan, Seven Is. (old reserve), Maliotenam, Bersimis, Pointe Bleue, Mistassini, Weytonmachie (Sanmaur), Rupert House, Six Nations, Fort Alexander, Beardy's.<br>Agencies: Quebec, Ottawa, Toronto, Winnipeg, Saskatoon, Edmonton | <br>1-3 days at each |
| Assistants: | | | |
| Mr. B. Bernier | Statistics | | |
| Mr. L. Laforest | Statistics | | |
| Mr. P. Charest | Ideology | | |
| Miss J. Ryan | Education | Reserves: Cowichan #1 and #2, Comox, Inkameep, West Saanich, Sooke, Six Nations, Caradoc (Oneida, Muncey, Chipeweyan), Oak River, The Pas, Roseau River, Duck Lake, James Smith, Sweetgrass, Red Pheasant, Mosquito Stoney, Poundmaker, Little Pine.<br>Agencies: Ottawa, Toronto, London, Winnipeg, Portage La Prairie, The Pas, Saskatoon, Duck Lake, N. Battleford, Edmonton, Vancouver, Nanaimo, Duncan, Vernon. | 1 day - 6 weeks at each. |
| Mrs. M.J. Lythgoe<br>Mr. M. Burbidge | Education | Reserves: Musqueam, Squamish, Dollarton.<br>Interviews at Vancouver Vocational Institute, Burnaby Technical, U.B.C. and various high schools in Vancouver and North Vancouver. | 3 months |
| Dr. H.A.C. Cairns | Political & Administrative Issues | Data collection and interviews in Ottawa and in various centres. | |
| Assistants: | | | |
| Mr. M. J. Audain | Welfare | | 4 months |
| Mr. R.H. Jackson | Administration | | 8-1/2 months |
| Mr. J.E. Nicholls | Administration | | 4 months |
| Professor K. Lysyk | Constitutional & Legal Issues | Data collection and interviews in Ottawa and in various centres. | |
| Dr. S.M. Jamieson | Economic Survey | Data collection and interviews in Ottawa and provincial capitals. | |
| Assistant: | | | |
| Miss D.M. Coutts | Social disorganization | Reserves: Squamish, Musqueam, Sarcee | 3 months |
| Dr. F.G. Vallée | Band organization | | |

| Name | Main Topic and Region | | Period |
|---|---|---|---|
| Mr. G.B. Inglis | Social Organization | Reserves: Chilliwack, Port Simpson, Saddle Lake, Nipissing | 2-10 weeks in each |
| Mr. D. Luth | Social Organization | Reserve: Walpole Is. | 9 weeks |
| Mr. R.F. McDonnell | Social Organization | Reserves: Kamloops, Masset, Goodfish Lake, Dokis | 2-3 weeks |
| Mr. G. Parsons | Social Organization | Reserves: Manitoulin, Fort Alexander | 12 weeks |
| Mr. E. Schwimmer | Social Organization | Reserves: Mount Currie, Blood, The Pas | 2-3 weeks at each |
| Dr. T.F.S. McFeat | Band Organization | Reserves: Christian Is., Parry Is.<br>Work mainly with Tobique Malecites in New Brunswick. | 2 summers |
| Mr. J.E.M. Kew | Social Organization | Reserves: Christian Is., Walpole Is., Georgia Is., Scugog, Rama, Curve Lake, Hiawatha (Rice Lake), Alderville, Saugeen | 1 day to 1 week in each |
| Mr. B. Bernier | Social Organization | Reserves: Comox, Cowichan | 2 months each |
| Mr. S.W. Corrigan | Social Organization | Reserve: Oak River | 5 months |

## INDEPENDENT RESEARCH SUPPORTED IN FULL OR IN PART BY THE PROJECT

| Name | Main Topic and Region | | Period |
|---|---|---|---|
| Mrs. P. Koezur | Education | Bands: Mattagami, Michipicoten, Amalgamated Rainy River, Couchiching, Lac La Croix, Seine River Stangecoming, Golden Lake, Albany, Attawapiskat, Moose Factory, Moosonee, Winisk.<br>Rat Portage, Shoal Lake #93 and #40, Wabigoon, Whitefish Bay, Manitoulin Is., Sheguiandah, Sucker Creek, West Bay, Whitefish River.<br>Fort Hope, Long Lac #58 and #77, Nipigon, Dokis, Matachewan, Nipissing, Temagami, Whitefish Lake, Parry Sound.<br>Fort William, Gull Bay, Red Rock, Mississauguas of Curve Lake, Batchewana (Rankin), Garden River, Serpent River, Spanish River #1 and #2.<br>Caribou Lake (Round Lake), Lac Seul, Osnaburg (New Osnaburg, Cat Lake), Trout Lake, Six Nations, St. Regis, Mohawks of the Bay of Quinte, Walpole Is. Amalgamated. | 1-28 days in each |
| Dr. B.S. Lane | Education | Saanich | 45 days |
| Mr. S.W. Munroe | Social Organization | Stoney Band at Morley | continuing |
| Drs. E.W. & M. McL. Ames | Socialization | Iroquois school children | |
| Miss P. Atwell | Off-reserve Migration | Indians residing in Calgary | continuing |
| Miss M. Bossen | Economic Development | Ontario | 3 months |
| Dr. H. Dimock | Economic Development | Chibougamau-Mistassini | |
| Prof. K. Duncan with D. Korn and P. McIntyre | Vocational Training | Oneida, Chippewa, Delaware | |
| Mr. L.R. Gue | Education | Northern Alberta | continuing |
| Mr. & Mrs. W.R. Ridington | Social Organization | Prophet River | 1 year |

| Name | Main Topic and Region | | Period |
|---|---|---|---|
| Mrs. R.L.B. Robinson | Socialization & Child Care | The Pas | 2 months |
| Miss J. Smith with<br>Mr. R. Malpass | Socio-economic Factors | Micmac | continuing |
| Dr. T. F. Storm and assistants | Motivation Research | British Columbia | continuing |

**Consultants**

Mr. A. McCallum
Dr. C. S. Belshaw
Dr. R. M. Will
Dr. D. V. Smiley
Dr. E. R. Black
Dr. E. S. Rogers
Dr. P. Carstens
Dr. R. W. Dunning
Dr. E. W. Ames
Dr. M. McL. Ames
Dr. P. Termansen
Dr. T. F. Storm
Mr. W. Duff
Dr. T. F. S. McFeat

# CHAPTER I

## INTRODUCTION AND RECOMMENDATIONS

### 1. The Purposes and Goals of the Report

In 1964 the Minister of the Department of Citizenship and Immigration asked that a study be undertaken of the contemporary situation of the Indians of Canada with a view to understanding the difficulties they faced in overcoming some pressing problems and their many ramifications. The Director and Associate Director, Dr. Harry Hawthorn and Dr. Marc-Adélard Tremblay, accepted the charge, and were joined by Dr. Alan Cairns, Dr. Stuart Jamieson and Dr. Frank Vallée as senior members of the research group, and by a number of other scholars who have acted as consultants and field research staff, and by specialized assistants who deployed their various skills.

The problems that called for detailed and objective study were concerned with the inadequate fulfilment of the proper and just aspirations of the Indians of Canada to material well-being, to health, and to the knowledge that they live in equality and in dignity within the greater Canadian society. The Indians do not now have what they need in some of these matters and they cannot at present get what they want in others.

In general, they want the material blessings other Canadians have in the way of incomes, houses, cars, furnishings, clothes, foods and so on, perhaps partly because they are advertised at and exhorted to want them equally with the rest of us. Their income levels and their average expenditures are rising but on the average are now far less than equal to national or regional averages and the gap is ever widening. They want and need good health but their possession of it, manifested by mortality tables and by the observation of every teacher and country doctor, is less than others possess although most Indians are more active and do more hard physical work than most Whites.

Their children are required to enter school and urged by parents and teachers to do well, but their stay there is often marked by retardation and terminated by dropping out; although ever more Indian children attend school and stay longer, the increasing national educational levels provide another receding horizon.

They call for independence from the special controls of the federal government but the management skills required to replace the sponsorship and support of the Indian Affairs Branch are at this time not often enough in evidence. More and more Indian enterprises exist but the need for specialized assistance with the management of their resources is always growing and is now greater than ever.

What support they receive from agencies and persons other than the Indian Affairs Branch and its staff has not offered much more than local amelioration of their condition and in many regions is not immediately equipped to do much more. The public concern about the Indians and the public knowledge of their problems that would demand a change are scanty and eneven. Public knowledge does not even match public misconception. Not enough is known of the problems to create a call for their solution. In two or three cities the newspapers from time to time print a special story, of disease, neglect and poverty, of isolation or of Skid Road, and then leave the topic for months or years. A few good documentary films have not been enough to enlighten the public sufficiently so that it will clamour for the massive support that is needed.

Furthermore the knowledge of the progress that has actually been made is neither enough to encourage the Indians nor enough to develop pride of achievement in those who work with them. The public knows little of the extent of the services now given by the federal and provincial governments to Indians, and many newspapers share a general misconception that Indians are less than full citizens, and wholly and solely a federal responsibility.

The trend of the analysis offered in this Report and a basic and general goal of its recommendations is to find courses of action which will be profitable for the Indian and to improve his position to choose and decide among them.

This is not advocacy that he acquire those values of the major society he does not hold or wish to acquire. Because the issue is a burning one, and at certain junctures in the analysis it is a complex one, it is worth reiterating clearly and simply that the research group do not think that the Indian should be required to assimilate, neither in order to receive what he now needs nor at any future time. The possibility that many Indians should reject some values or institutions held dear by the Canadian majority is comprehended in the goal of the economic and political recommendations made in this Report. Ordinary respect for what values and institutions, languages, religions and modes of thought, persist in their own small societies, which were once fully viable and to varying extents are so today, calls for maintenance of this principle. Almost certainly some Indians will choose not to accept what we regard as the benefits of our society and will choose instead what they regard as the benefits of theirs.

But no choice by Indians, neither to accept nor to reject Canadian values and opportunities, can have a sequel of purposeful action and successful result unless they have certain capacities to sustain it. The attractions and pressures of the major society, the changes in natural resources and the whole new social ambience now render completely helpless the person who lacks the shields and weapons of adequate schooling, rewarding employment, good health and fit housing; and the capital equipment, training and knowledge adequate for the enterprises he undertakes.

These prerequisites for proper choice and decision must be supplied in sufficient amount for them to be at all effective. Indeed inadequate aid may be worse than none at all because it will almost certainly drain off hope and courage. We may cite Chesterton: "If you think everyone should have a cow, and you only give him the first half to start with, he will only leave the first half lying around."

A further part of the basic and general goal of the Report is to review the arguments establishing the right of Indians to be citizens plus, and to spell out some of the ways in which this status can be given practical meaning. The argument presents facts and legal and political decisions leading to the conclusion that the right derives from promises made to them, from expectations they were encouraged to hold, and from the simple fact that they once occupied and used a country to which others came to gain enormous wealth in which the Indians have shared little.

We discuss the possible conflict between the status of citizens plus and the egalitarian attitudes both Whites and Indians hold. On the other hand, the reverse status Indians have held, as citizens minus, which is equally repugnant to a strongly egalitarian society, has been tolerated for a long time, perhaps because it was out of sight and so out of mind of most people.

## 2. The Content of Part I of the Report

This is the first of two parts of the Report of the research group. The second part dealing with issues in education and with the internal organization of the reserves will be presented within a few months.

The starting point of the study was to enquire into some of the many facets of Indian well-being, to try to ascertain the reasons for its lack where that was the case, and to uncover the modes whereby well-being could be enhanced. We assumed that the justification for any continuing differential in the services provided for the Indian must be that they are better, not worse, and that they make greater contributions to his well-being than could be made by the services available to other citizens.

In this part of the Report we present our analysis and findings concerning those conditions and programs that are primarily economic, political and administrative. Some of the same concerns will be taken up again in Part II of the Report, because the educational approaches to some issues, for example, employment and economic development in general, complement the purely economic ones; while the abilities and willingness of people to take part in band council and other organizations within the reserves, also considered in Part II, are vital to the future of the governmental programs for the reserves considered here.

The topics of prosperity, poverty and welfare are examined, as is the Indian degree of participation as provincial and federal citizens, the provision of services for them, and the legal and constitutional position of their administration. Understandably, economic development and the responsibility for it receive major stress in the Report, as material well-being is inseparable in his own mind and in ours from all the issues now confronting the Indian. To arrive at the conditions for successful economic growth we have tried to understand the causes of reserve prosperity and poverty, and the reasons why the Indians on the average are falling farther and farther behind the advancing national averages in incomes and spending. To these ends we have scrutinized a number of the factors that economic theorists commonly associate with economic development and endeavoured to find out how they operate in the economic situations of the reserves. Included in our survey are a score or more of these factors on which figures were furnished by a Resources Questionnaire sent to Indian Agencies by the Branch. Some of the results have been surprising and others, though less surprising, are basic to planning. Thus we have found that such primary resource-based modes of livelihood as trapping, fishing and farming exert a negative influence on Indian prosperity. This influence is contrasted to the great contribution to prosperity made by steady wage and salaried employment off the reserve. We consider the support offered by such findings for vocational training and job placement services on a massive scale, for special assistance to those who choose to seek work off the reserve, and for creation of opportunities for industrial and other urban employment.

While an increasing number of people already work and live away from the reserves, the reserves are not vanishing. Indeed the actual number who live in them is also increasing. Bands are not seeking enfranchisement and comparatively few individuals sever connection with the reserves by enfranchisement. Because many of our findings stress the connection between economic well-being and ability to get employment off the reserves, it has been necessary to give some consideration to the status and special needs of off-reserve Indians. While we have done this relatively briefly we adduce support for the principle that Indians can and should retain the special privileges of their status while enjoying full participation as provincial and federal citizens. By every calculation they have been disprivileged and low-cost citizens up to the present time and many services will need to be increased for them before they catch up.

Consequently it has been necessary to examine at some length the responsibility for provision of future services and to appraise the implications of the assumption that has grown over the past decade that more and more of these services will be provided by agencies of the provinces. We pay some attention to three main issues in respect to services: the relative capacities of provincial agencies and of the Branch to supply them; payment for them; and Indian willingness to claim and receive, and provincial willingness to extend the services that are now required by all other citizens.

The status of reserves as they advance in management of their own affairs is discussed in relation to these issues. We have given thought to the advantages of attaining municipal status and have presented a case for the development of a unique position for Indian reserves. There is support for the view that reserves can remain viable and distinct Indian social entities, which many Indians want them to be, while gaining the full benefits of provincial as well as federal services.

Some examination is given to the future of the Branch. We cannot share the point of view that it should or can dissolve at any near point in time or in program. The responsibility for aiding in the management of trust monies and lands has been firmly laid on it and the responsibility for sponsoring the development of band government is seen as unlikely to devolve successfully on any other agencies. In addition we offer a brief comment on the likelihood we foresee that crises will arise in Indian life in the near future, and that no organization other than Indian Affairs or perhaps the Citizenship Branch, appears to have the knowledge or readiness to assist.

A final case is made for an Indian Progress Agency, an organization whose function would be to substitute for occasional reviews of policy a regular flow of information and the application of continuous measures of advancement to the situation of the Indian.

We have undertaken in this Report to present the results of our study of what we considered the major economic, educational and political issues. The task has not been a small one, but it is only a part of what should be done. No fault attaches to the Indian Affairs Branch for any limitation of the study; the scope of this enterprise has been so wide as to be barely manageable, and others must undertake what other work must still be done. Indeed, some others are already engaged in some continuing and related research.

Some of the topics listed in the first proposals for this project have not been touched upon by us and are not at present being studied by anyone known to the authors. (Exceptions to this statement include several graduate students, whose research is likely to be of high quality but to be confined to limited topics and regions.) The neglected topics include linguistic change, and its relations to socialization and education; the operation and results of Indian friendship centres; the function and potential of organizations of local and wider scale; and Indian voting patterns and potential political influence. There are many others, some of them mentioned in the text of the Report.

There are some other topics on which work has been started without yet yielding enough to report. These include systematic studies of the psychological characteristics of the Indian child, and the possible influences of the "culture of poverty" or of "reserve cultur-" on the child. Partial results have been incorporated in our reporting on the schooling of the child, but work will continue, under auspices other than the Indian Research Project, for some time yet, before definite and general conclusions can be reached.

A few studies have been commenced within the past year, when it became clear what could not be incorporated in this Project. They include a study of Indians and taxation, and a preliminary or feasibility study of Indians and the law.

There are other broad research areas where as far as we know there is little present initiative and where we have made no recommendations, such as health needs and services. We know of some work that is now underway, but we are not competent to even estimate the value of a major and comprehensive study there.

Finally we have outlined in this Report some needed studies, as in the chapters on economic matters and on welfare. This may seem to be a superabundance, but contemporary administration cannot operate without up-to-date information, and the appraisals of complex situations must be continuous.

### 3. Contributors, Sources and Methods

A survey of the contemporary life of the Indians of Canada is a large task, and the work of a large number of people has been required for its completion. In all, more than forty scholars have been engaged in the collection of data and their analyses at some point or other in its two-and-a-half years of operation. This includes some twenty who had already planned or had begun to work independently on topics of value to the Project. Where it was needed we offered support and obtained the benefit of their findings. In addition, we obtained the judgment and knowledge which others made available as consultants, and the skills of several assistants who helped with statistical and tabulating tasks.

We wanted to base our conclusions on the fullest knowledge that could be obtained in the time at our disposal. To this end the Branch in Ottawa placed their files at our disposal and provided all the summarized data in their possession that we asked for, including the results of the comprehensive Resources Questionnaire sent out to all agencies in 1964. It is unlikely that any study has been more fortunate in the support given to it by the senior officials of an agency whose operations formed a major part of the survey.

It was necessary in addition to pursue information on a number of issues and obtain answers to a number of queries by firsthand observation and interview. While the purpose of the survey did not call for the kind of knowledge that only very lengthy and detailed observation could reveal, there were some elements of present-day Indian life that we wanted to understand more fully than could be achieved from any materials so far gathered and published. For example, we needed to know more of what accounted for the performance of Indian children in school, how effectively people in reserves played their parts in organizations like band councils and in voluntary associations, what economic goals they held, and what were the values most relevant for their political futures. Some of the desired knowledge updated and extended the findings of the study made of the Indians of British Columbia ten years earlier, and some dealt with new situations and issues that had arisen since then. To these ends we visited a large number of reserves for brief periods and also undertook studies of longer duration in a few reserves. The reserves were chosen to illuminate the issues we had in mind, as an ordinary sampling procedure would not have been suitable for the task.

The five senior members of the research staff, the Director, the Associate Director, Dr. Jamieson, Dr. Cairns and Dr. Vallée, worked part-time for two-and-a-half years, including the major parts of three summers. Miss Joan Ryan worked for three summers and most of the others for one or more. Mrs. Alice Bownick was the secretary and administrative assistant of the Project throughout, responsible for the organization of material support for the staff, organization of the office and its operations, and for the preparation of working papers and drafts and the final Report.

The writing of Part I of the Report has been undertaken mainly by Dr. Jamieson who took major responsibility for Chapters II to X and by Dr. Cairns who took major responsibility for Chapters XI to XVIII. The recommendations that emerge were discussed by all senior members and represent the majority or usually unanimous opinion.

In addition many and lengthy special and field reports have been written. Among them is one by Professor Lysyk on constitutional and legal issues, which is now the first section of Chapter XII; ones by Mr. Audain and Mr. Nicholls on welfare and administrative considerations, also used by Dr. Cairns in Chapters XV and XIV; others by Mr. Kew, Mr. Inglis, Mr. Schwimmer, Mr. McDonnell, Mr. Bernier, Mr. Luth, Mr. Corrigan; these field reports and special analyses have been extensively used and are again being employed in Part II of the Report. Others which have a bearing exclusively on the educational and organizational issues in Part II are not mentioned at this time. Most of these special and field reports contain a great deal more than has been directly used in the Report. By agreement at the beginning of the Project, these individual studies may later be used in scholarly publications, omitting personal or privileged facts, by their authors.

## 4. Indian Autonomy and Integration

To many Indians the maintenance of a separate culture is important; to others it does not matter, and many of the young in particular would prefer to see the past transferred to the pages of histories and ethnographies rather than have it continue into the present. But those who cherish the language, the religion, the special relationships of kin and association, the exchanges of goods, support and obligation, that mark some Indian communities today should have their right to these affirmed by any program of government rather than diminished.

The research group consider it is important that cultural autonomy not be directly lessened by any proffered political, educational or economic changes. It is equally important that individuals be given the capacity to make choices which include the decision to take jobs away from reserves, play a part in politics, and move and reside where they wish. The whole direction of the Report argues towards increasing the scope for decision by Indians and this includes a decision either to reside in separate cultural communities or to leave them temporarily or permanently.

Consequently the research on which the Report is based was not directed towards finding ways in which Indians might be assimilated, or integrated into the Canadian society without their wish to do so, and without leaving traces of their particular and special cultural identities. Nevertheless, it is our opinion that the retention of these identities is up to the Indians. No official and perhaps no outside agency at all can do that task for them. Whether or not, and to what extent, Indians remain culturally separate depends on what it is worth to them. And it is obvious that equal services of all kinds should be offered and as high a standard of schooling as for other children be given to every Indian child unless he is to be deprived of a choice.

Nevertheless, quite apart from their intention, the effect of implementing the recommendations in the Report, like the effect of the governmental programs now in question, is not neutral towards the maintenance of autonomous Indian societies within the Canadian nation. This would be taken as obvious were it not apparent that there are those who cannot see it. The protections and controls of law, police and courts have displaced or affected in some ways the former institutions of social control, and their linked institutions of kinship and rank; the benefits of welfare services have taken over, often where the former rules for mutual aid were no longer operative; schooling has at least supplemented parental responsibilities and plays its part in the whole socialization process; jobs with regular wages and hours throughout the year have affected hunting and other subsistence activities and provide a choice which an increasing number now want to make; the use of English or French in most homes and for most of the day has effects on the Indian languages, as does the need to add words for the new items that are constantly purchased; all these new ventures change the Indian's view of himself and of his world. Where separate Indian cultural forces continue to operate, they can only do so while accepting and adjusting to these influences.

## 5. Indian Resources and Responsibilities

The Indian in Canada does not come empty handed to the modern situation.

Each different question about wealth and capacities requires different calculations but it is perhaps correct to say that all the land and other material resources of the Indian, estimated according to their likely potential uses and values, are outweighed by the human ones. Indians comprise nearly a quarter of a million people, a high proportion of them young, their numbers growing faster than any sectional rate of increase in Canada, and many of them accustomed to living in regions and latitudes that are seeing vital new industrial developments.

Not enough is known about the present capacities of Indians for the jobs that are to be found in these developments and for the other wage and salaried employment that we have seen to be the most vital factor in economic development. We are of the opinion that a full inventory should be made of the educational attainments, the work skills and experience, and the attitudes and motivations of people in each reserve, to show their potentialities for different kinds of work Short of this being done, we know enough to conclude that there are many active and able people on reserves at the same time that positions are vacant elsewhere.

Other resources of the Indian are considerable but cannot be as easy to recognize, because we have heard everywhere opinions that there is a lack of Indian leadership Actually, we see the small Indian community to be a training ground for some of the qualities of leadership and many of its members are well equipped with them. On many reserves people live close together, undertake many joint enterprises, have disputes, make some disposition of them, and afterwards go on living with the results. Goods and energy are always in short supply and differences in opinion about their allocation are therefore likely to be frequent Those who are concerned must arrange these things and continue to see and work with one another afterwards, unprotected by the social distance that makes an impersonal decision, whether good or bad, an easy one to render in organizations within a large society. The gifts of personality, wisdom and skill needed for the continuous face-to-face management of often very complex joint affairs are significant ones and, although peace and equity do not reign continuously in Indian communities, many Indians possess and exercise these management skills in large measure. One proof is that so many communities have survived without the formal governmental institutions that are needed elsewhere to illuminate issues, arrive at decisions and compel adherence to them

It is true that the observer who looks for leadership qualities in the wrong situations on reserves will not find them. This is especially true if he expects to find Indian leadership in the specific tasks which are given to them in present-day communities. These tasks are likely to be out of tune with their techniques and values, and to be defined by outsiders. Sometimes the tasks are not actually worthwhile, or are in conflict with other necessities, or their performance requires some specialized competence, like estate management, that ordinary persons do not possess It is usually this disharmony and the external nature of the situation where outsiders call for leadership, rather than a lack of general leadership competence, that often gives an appearance of disorganization and inertia to reserve life. In most bands, leadership is quickly forthcoming for particular tasks, defined by the Indians as within their own interest and competence. This is frequently in contrast with the operation of band councils. Commonly the band council and other official leaders are beset by all the dilemmas of indirect rule and additionally by the complicated set of requirements that band enterprises must fulfil to satisfy several government agencies at the same time.

We have considered the issue of how much responsibility and of what sort falls on Indians to employ these capacities to remove the disadvantages in their present situation. A component of many of their difficulties is a high degree of dependency, that goes well beyond the dependency of the average person in today's complex welfare state because the sources of partial independence, primarily ones linked to education and to income, are so much less for the Indians. In the last instance, successful moves to lessen dependency can be made only by them But for the majority of Indians, their own actions cannot at this time meet all the needs an ordinary citizen must meet, and extra external aid is required as a supplement The real question arises when we consider the sources of such aid. We present arguments that the Indian Affairs Branch should not withdraw services unless superior ones will be supplied by other agencies. Even where Indian Affairs Branch services can profitably be replaced by provincial ones it appears proper that Indians should first concur as is now required before Indian children transfer to provincial schools.

Some thought has been given as to whether Indian emergence into public debate and decision should come in other ways as well. The Indian Affairs Branch requests for money have been traditionally small or cut down. The Branch has never been enabled to operate with sufficient resources to do the tasks that are now seen to have been needed. In the absence of continued and widespread public pressure for expansion of the needed services, Indians themselves must supply some of the pressure. We have considered their potential to do so, through Indian organizations and by exerting their influence as voters. Up to the present they have hardly been in this position, and the delegations they have sent in connection with disputes over land and Indian rights in the past have been received with courtesy but without trepidation. Today the changed climate of Canadian opinion on the rights of sectors of the plural society, along with the growing numbers of Indian voters, and the existence of special bodies like the Indian Eskimo Association, support their immediate emergence as a potent pressure group.

It is clear that whatever is done to assist it, this pressure will ultimately come from Indians. Results are needed now, however, and Indians should be aided so that they can produce them sooner rather than later. It is also clear that Indian political pressure will soon express a demand for something different from the wishes and requests of today's older Indians. The significance of the benefits conferred by the treaties and agreements seems negligible to many of the younger people today. But without requiring from Indians any more than from others that they make an unanimous decision on just what it is that they want, Indian organizations and voters should be heard and should be encouraged to press their case. In a plural society the alternative for a supine and silent segment is inevitably over-dependency and charity.

The certainty of growing and ultimately effective political pressure from Indians does not bypass the need for improvements to be made now in their situation whether or not they clamour for them. Indeed it underlines the need. The claims of a relatively well-off group can be discussed, adjusted if necessary, and granted if just. A really disprivileged group often cannot discuss its needs and when pressures finally burst out, discussion is too late.

## 6. Future Role of the Indian Affairs Branch

It is widely expected that the Indian Affairs Branch will wither away, its work done. Many members of the staff of the Branch share the feeling that it should wind up its business and cease to exist, that it is charged with a defined duty whose completion should see the termination of the Branch itself.

We made the study of the functions and operations of the Branch one of our central concerns, and the balance of our argument is that we cannot agree with this approach and this conclusion. The facts and their significance appear to us to lead to a very different result. For quite a long time the special needs of the Indians and the special status they should maintain will require the sponsorship and backing of the Indian Affairs Branch. It is true that other people with needs and claims that may be partly similar could benefit from the sort of sponsorship advocated for Indians but that is another issue and at first glance it would appear that no other group in Canada has the same entitlement to consideration. (This study did not include the Eskimo; however, in general their socio-economic situation is similar to that of many Indians, and it might not be far wrong to include them in the more general statements we make about the Indians.)

Our discussion of the continuing responsibilities of the Branch takes up the matter of assistance with the management of resources. This assistance may in the future be less often of a direct sort, for it is as impossible for the Indian Affairs Branch staff to control all the needed financial and other skills as it is for Indians to do so. More often effective assistance will consist of aiding the Indians to recognize when help is needed, and aiding them to seek it from the best quarters. Another responsibility may be assisting Indians to seek and obtain the benefits offered by the provinces to all provincial citizens.

Other new responsibilities are pointed out that are likely to call for assumption by the Branch. At least one of these new responsibilities can be foreseen. In the not so distant future some agency, the Indian Affairs Branch or perhaps the Citizenship Branch, will need to get set for a vast cityward movement of Indians that is now in its beginning phases. At the present rate of growth of Indian population, a critical phase of this movement could be reached in ten years' time even if the reserves continue to hold their present numbers. Problems of housing, placement, recreation and training will be intensified and in many ways will be special to Indians. The problem facing the Branch will be to aid in filling the needs that cannot be met by existing municipal and provincial agencies. Present experience, in Canada and elsewhere, indicates that no other government agency is likely to be ready for a large movement of this nature. Perhaps the role of the Branch will be to be prepared with blueprints drawn from its own special knowledge and from experience elsewhere, in the United States for example; to keep close watch on the situation and initiate action in time; to point out at once the growing needs of these new people in the city, needs that existing agencies are likely to be slower to recognize and respond to.

## 7. Recommendations

The following recommendations are summarized from the text of Part I of the Report. It should be emphasized that the full sense of the recommendation does not reside in this brief and abstracted form; the facts, analysis and argument in the text often modify the recommendations in significant ways.

### General

(1) Integration or assimilation are not objectives which anyone else can properly hold for the Indian. The effort of the Indian Affairs Branch should be concentrated on a series of specific middle range objectives, such as increasing the educational attainments of the Indian people, increasing their real income, and adding to their life expectancy.

(2) The economic development of Indians should be based on a comprehensive program on many fronts besides the purely economic.

(3) The main emphasis on economic development should be on education, vocational training and techniques of mobility to enable Indians to take employment in wage and salaried jobs. Development of locally available resources should be viewed as playing a secondary role for those who do not choose to seek outside employment.

(4) Special facilities will be needed to ease the process of social adjustment as the tempo of off-reserve movement increases. Where possible these should be provided by agencies other than the Indian Affairs Branch. However, if other agencies prove inadequate, either due to incapacity or unwillingness, the Indian Affairs Branch must step in itself regardless of whether the situations requiring special attention are on or off the reserve.

(5) As long as Indians are deficient in the capacity for self-defence in a society of large and powerful private and public organizations they must be given supplemental consideration by government.

(6) The Indian Affairs Branch should act as a national conscience to see that social and economic equality is achieved between Indians and Whites. This role includes the persistent advocacy of Indian needs, the persistent exposure of shortcomings in the governmental treatment that Indians receive, and persistent removal of ethnic tensions between Indians and Whites.

(7) Indians should be regarded as 'citizens plus'; in addition to the normal rights and duties of citizenship, Indians possess certain additional rights as charter members of the Canadian community.

(8) The Indian Affairs Branch has a special responsibility to see that the 'plus' aspects of Indian citizenship are respected, and that governments and the Canadian people are educated in the acceptance of their existence.

(9) An autonomous public body, to be known as the Indian Progress Agency, should be established. Its main function would be the preparation of an objective annual progress report on the Indian people.

(10) Attempts to deny Indian access to basic public programs at any level of government on the grounds of an alleged incompatibility between

Indian status and the program in question should be critically investigated to ensure that the incompatibility is real and not merely imagined.

Economic Development

(11) Larger expenditures than hitherto will have to be made on reserves in order to bring their standards of housing and other facilities and services closer to White norms.

(12) A working blueprint for a viable economic development program for Indians will require a more detailed cross-country survey to provide an inventory in terms of job aptitudes and capabilities, potential income-yielding resources, job opportunities locally available, and numbers in each community requiring special training and migration to other areas. Such a survey should be carried out jointly by the Indian Affairs Branch and the new Department of Manpower, with the aid of various experts in industry and resources.

(13) An adequate program for economic development of Indians will require public expenditures on their behalf in the hundreds of millions of dollars per annum over the foreseeable future. This will entail a much larger budget and staff for the Indian Affairs Branch, as well as more assistance from other government agencies at all levels.

(14) The Indian Affairs Branch should be given every support in its announced objective of providing Indians with maximum educational and training opportunities and services. Inseparable from education and training, job placement should play a major role in a viable economic development program for Indians.

(15) Because of problems facing Indians in urban life and industrial or business employment, the Indian Affairs Branch should possess a staff of specially trained placement officers with supporting facilities, services, and personnel to fit in with the larger labour market, training and placement program developed by the Department of Manpower.

(16) Wide differences in degree of economic development among Indian bands and in the types of problems they face in different regions and localities, should be reflected in a highly flexible and variegated overall program with different priorities for different cases.

(17) People in semi-isolated bands across the Northern wooded belt face special problems of development that require special types of programs, and should receive maximum support in moving away to obtain employment in areas or urban centres offering adequate job opportunities.

(18) For those who do not choose to leave their reserves, training programs should be devised with travelling teams of instructors to train reserve residents in skills and functions that would enable them to cope better with their actual environment.

(19) Inseparable from such training, adequate provision of efficient up-to-date equipment on a liberal rental or purchase basis will be needed to enable Indians in isolated areas to exploit more effectively the resources and job opportunities available to them.

(20) More efficient and economical storage, processing, transport and marketing facilities should likewise be provided for them, either by government agencies or by private enterprises under strict governmental control on a public utility basis.

(21) Special studies should be made of various communities to explore the possibility that they could operate service or retail enterprises to provide for their own needs, rather than import such goods or services at excessive cost from far distant suppliers.

(22) Community development should be viewed as playing a distinctly secondary role for most Northern and isolated, small communities, in relation to the more pressing needs for greater capital and technical aid and special training facilities.

(23) A number of bands in farming regions are as depressed and underdeveloped as any. An economic development program on their behalf would require broadly similar measures, with the major emphasis on educating, training and placing those who wished to obtain employment off the reserve.

(24) In all but a minority of cases, no attempt should be made to encourage, train and finance any large number of Indians to engage in commercial farming, even in those reserves where relatively plentiful amounts of arable land are available.

(25) Subsistence farming, where suitable land is available, should be encouraged for households who do not wish to migrate to other areas, and who have no alternative opportunities for remunerative employment.

(26) Employment of Indians in low-paid farm labour with substandard working conditions should be discouraged.

(27) The main emphasis for economic development of the more depressed and underdeveloped reserves located within, or close to, urban or industrial centres offering many potential job opportunities should focus on expanded social work programs for rehabilitation of disorganized households, intensive training programs for potential workers, and counselling work among women and mothers to assist them in the complexities of urban living.

(28) Community development should be directed as much to Whites as to Indians, in view of the many barriers which the former put in the paths of the participation of the latter.

(29) Among relatively high-income bands whose members specialize in high paid seasonal manual labour, younger workers or students should be encouraged to train for a wider diversity of jobs. The present pattern of specialization renders such communities vulnerable to serious economic reversals, in the form of unemployment arising from technological changes or cyclical downturns.

(30) For bands occupying reserve land strategically situated for industrial or commercial development of various kinds, adequate capital and technical aid should be provided to band members deemed capable of developing and operating business establishments of their own.

(31) Where Indian-owned and operated businesses are not feasible, and where it would be more economical to lease land to outside concerns, every effort should be exerted to assure that band members are given prior opportunity and training for new jobs that the tenant firms make available.

## Federal Provincial Relations

(32) The general policy of extending provincial services to Indians should be strongly encouraged, although due attention must be given to merits of the case in each functional area.

(33) Where it is desirable to extend provincial services to Indians, this should be undertaken as expeditiously as possible. Otherwise, as a consequence of the growth in Indian population, the temptation to establish or maintain separate services will become more pronounced and, for technical reasons, will appear more defensible.

(34) Both levels of government must pool their legislative and fiscal resources to overcome the isolation and poverty of most Indian communities.

**(35) Provincial governments should be encouraged to make the policy decision that Indians are, in reality, provincial citizens in the fullest sense compatible with those aspects of Indian status found in treaties, the special nature of Indian communities, the particular characteristics of Indian land holdings, and certain historic privileges they have long enjoyed under the Indian Act.**

**(36) The Indian Affairs Branch should increase its awareness of existing provincial legislation, legislative and policy changes in each province, and the possible relevance of such legislation and such changes for Indians. Where necessary the Indian Affairs Branch should make representations to ensure that there is no discrimination against Indians, either deliberately or through inadvertence.**

**(37) Changes in the relationships between governments and Indians in the federal system should always be sanctioned by Indian consent.**

**(38) It is recommended that the federal position be clarified with respect to the constitutional appropriateness of informing Indians that they have the right to reject provincial services in such areas as child welfare where there is no federal legislation occupying the field. This clarification may require some qualification to the previous recommendation.**

**(39) The discrepancy between the stability of the constitutional position of the federal government under "Indians and Lands Reserved for the Indians" and the marked changes possible in the significance to be attached to it must be clearly understood, especially by Indians, if the change in federal-provincial roles is not to be misperceived.**

**(40) The increased funds the provinces will require as they assume growing responsibilities for providing services to Indians should be provided, as quickly as agreement can be reached, within general federal-provincial fiscal arrangements rather than by an infinity of specific agreements dealing with particular functions.**

**(41) Federal-provincial coordinating committees should be viewed as only the formal expression of continuing contacts between the Indian Affairs Branch and provincial officials.**

**(42) The question of publicity should be carefully considered in all programs to which both governments have contributed either in a financial or an administrative capacity. Deliberate efforts should always be taken to give favourable reference to the role of the other government.**

**(43) In order to facilitate intergovernmental collaboration, restraint in the public expression of views critical of the other government should be employed.**

**(44) There should be constant scrutiny of coordinating committees in order to ensure that they contribute to, rather than frustrate, their stated purpose.**

**(45) The participants in intergovernmental groups must mute their natural desires to further the interests of their respective governments or departments, and should concentrate on the objectives which they cannot attain without each other's assistance.**

**(46) Good relations between governments depend on assiduous cultivation. Where recognition of this does not exist it must be fostered.**

**(47) In British Columbia, where the regional headquarters of the Indian Affairs Branch are located in Vancouver, steps should be taken to overcome the barriers to easy communication with provincial officials which result from distance from the provincial capital.**

## Political

(48) Indians should be assisted in identifying and diligently seeking redress, by all the political weapons of a free society, from the disabilities under which they presently suffer. They should make their own vigorous requests to provincial governments for provincial services they are not now receiving.

(49) The Indian Affairs Branch has, and should assert, a legitimate right to represent Indians and advocate their needs at policy-making levels of government. This is necessary to counterbalance the political underrepresentation of Indians in the overt political system.

(50) The Indian Affairs Branch should take a positive, interested, and sympathetic approach to Indian organizations and to various mixed or White groups that have an interest in Indians.

(51) Cooperative working relationships between the Indian Affairs Branch and Citizenship officials should be strengthened. Members of each branch should be continually aware of the possibilities of furthering the advancement of Indians by collaboration in public relations and in the stimulation of community concern.

(52) For its efforts to succeed, the Branch needs the support, understanding, and cooperation of Indians, the general public, provincial governments, employers, and service organizations. An effective public relations program, therefore, constitutes a basic weapon in the successful pursuit of Branch objectives.

## Welfare

(53) Welfare services under provincial control should be extended to Indians as rapidly as possible.

(54) It is incumbent on governments to make the necessary arrangements to overcome quickly the discriminatory treatment which Indians still encounter in the welfare field.

(55) Emphasis should be placed on the rewards to the provinces of extending their welfare services to Indians.

(56) All possible efforts should be made to induce Indians to demand and to accept provincial welfare services.

(57) The Indian Affairs Branch, perhaps in conjunction with the Department of National Health and Welfare or the Canadian Welfare Council, should cooperate with the provinces in the employment of Indians in the welfare field. If necessary, special short training courses should be set up.

(58) Increased recognition should be given to the role which invigorated welfare services can play in improving the conditions of Indian existence.

(59) Stricter controls should be placed on relief administration by Indian Affairs Branch field officials.

(60) The administration of social assistance by band officials should only take place where it is provincial practice for small non-Indian municipalities to administer their own assistance. Exceptions to this general rule should require specific justification.

(61) Where band officials administer welfare under provincial legislation, their work should be effectively supervised and guided by provincial welfare officials.

(62) In provinces which resist extension of welfare services, bands should be permitted to complete arrangements with local private agencies for interim services.

(63) It is important to support and encourage local committees of interested citizens and officials who address themselves to the needs of Indians in new urban settings.

(64) Where training courses in welfare administration exist, the participation of Indian welfare administrators should be sought.

(65) When Children's Aid Societies extend their services to Indian reserves, the appointment of Indians to the Boards of Directors should be sought, and consultation between the Societies and the band councils should be encouraged.

(66) The separation of relief payments from public works projects which is mandatory under the Unemployment Assistance Act, and which reflects the virtually unanimous opinion of social workers, should be as applicable on Indian reserves as in the remainder of Canada.

## Local Government

(67) Continuing encouragement should be given to the development of Indian local government.

(68) The problem of developing Indian local government should not be treated in the either/or terms of the Indian Act or the provincial framework of local government. A partial blending of the two frameworks within the context of an experimental approach which will provide an opportunity for knowledge to be gained by experience is desirable.

(69) At the present time, the Indian Act, suitably modified where necessary, constitutes the most appropriate legislative vehicle for the development of Indian local government.

(70) At the present time the Indian Affairs Branch has much more experience in the handling of the governmental matters of small communities than do provincial governments. As a consequence, and given its present orientation towards community development and self-government, it is a more appropriate agency for attempting to develop self-governing political systems for the communities over which it now has jurisdiction than the provinces would be.

(71) It is not incumbent on Indians to give up their special community status for the sake of equal treatment in areas in which that status is irrelevant. On the contrary, it is the responsibility of Whites, acting through their governments, to see that the special position in which Indian communities find themselves as a result of history is made compatible with as much as possible of the provincially provided services and supports available to White communities.

(72) The partial ad hoc integration of Indian communities into the provincial municipal framework should be deliberately and aggressively pursued while leaving the organizational, legal and political structure of Indian communities rooted in the Indian Act.

(73) Indian communities, while retaining their distinct status and remaining anchored in the Indian Act, should be encouraged to develop the same kind of relationship with provincial departments and with developing forms of regional government as would exist if they were not Indian communities.

(74) Reserves should be treated as municipalities for the purpose of all provincial and federal acts which provide grants, conditional and unconditional, to non-Indian municipalities, except where the application of a specific act conflicts with the provisions of Section 87 of the Indian Act or is unacceptable to the Indians concerned.

(75) The Indian Affairs Branch should establish a Local Government Bureau to provide a focus for the important function of developing local government on reserves.

(76) The Local Government Bureau should master the relevant provincial legislation which can be operated through reserve institutions, and

should act in a middleman capacity between Indian communities and provincial officals until sufficient mutual involvement has occurred to put the contacts on a self-sustaining basis.

(77) The Local Government Bureau should provide Indian bands with information on the various grants, programs and advisory services for which they will be eligible if provincial governments prove responsive to the need for extending their services and programs to Indian communities.

(78) A review should be undertaken of all provincial legislation which operates through local governments, with an evaluation of the extent to which the application of such legislation to Indian communities would be compatible with their special position as reserves, an evaluation of the seriousness of Indian exclusion, and the devising of formulae by which Indian communities could be brought into the same kind of relationships of a financial and advisory nature with provincial governments as are enjoyed by their White neighbours.

(79) The Local Government Bureau should provide a roving inspection and advisory service for Indian local governments.

(80) Indian representation should be aggressively pursued for various boards, commissions, and intermunicipal bodies which deal with matters on an area basis and often encompass several general purpose local governments within their jurisdiction.

(81) Indian and Branch participation should be sought and obtained in the various local government associations which exist in every province and at the national level.

(82) The creation of a band civil service should be fostered. Small bands should be encouraged to cooperate with nearby bands in the employment of one or more civil servants which they could not separately finance or employ.

(83) A basic function of band civil servants should be the fostering, cultivation, and development of positive relationships with the external world of officials and political leaders who possess services and expertise which could be beneficially employed by Indian local governments.

(84) As administrative competence improves at the local level, the role of the Superintendent must change accordingly. His role should become essentially advisory.

(85) Indians must increase their understanding of the local government procedures of their White neighbours, and of the network of relationships which White communities have with a variety of provincial government departments. To this end, provincial governments should be approached to sponsor and encourage programs to increase Indian familiarity with the practices of White local governments and the relations they have with the provincial government. For example, Indian participation should be sought and welcomed in provincial training and refresher courses for local government officials. The provinces should actively support a program for the placement of Indian trainees in White local governments for varying periods of time. White municipalities contiguous to reserves should be actively encouraged to display an interest in the common and special needs of their Indian neighbours.

(86) An invigorated educational program should be undertaken to ensure that band councils have a good understanding of the Indian Act, particularly those sections which refer to the functions and powers of band councils.

(87) All administrative practices and procedures which inhibit quick responses to band requests for information, or for approval of a specific course of action, should be reviewed with the objective of minimizing delay.

**(88) Bands must be encouraged to develop their own independent sources of revenue, perhaps from the local citizens of the reserve, to avoid exclusive reliance on external sources of funds.**

**(89) The British Columbia experiment of forming District Councils, organized on an agency basis, to which bands may choose to send delegates to discuss matters of common concern should be considered in terms of its suitability for extension to other regions.**

**(90) Continuing attempts should be made to break down the isolating effects of the trespass provision of the Indian Act.**

**(91) The local government functions and the function of managing Indian assets should be separated on an experimental basis in order to overcome the serious contradictions which the present blending of this duality of function entails. The Indian thus would have one status as a citizen of a local community and a separate status as a shareholder in the corporate assets of the band.**

## CHAPTER II

## THE CONCEPT AND GOALS OF ECONOMIC DEVELOPMENT

It has become increasingly evident in recent years, as the subject has come into greater public attention, that the majority of the Indian population constitutes a group economically depressed in terms of the standards that have become widely accepted in Canada. They are not sharing equally with others in proportion to their numbers in the material and other gains, satisfactions and rewards that an affluent and rapidly growing national economy has to offer. True enough, their level of material welfare, as measured simply by average per capita real income from all sources, and their level of formal education, are probably higher than they have ever been, and a minority among them have had successful careers in various lines of work. Nonetheless, in comparison to the much larger gains in these and other respects that the majority of the non-Indian population has enjoyed in recent decades, there are indications that the gap between the two groups has been widening.

In the comparatively simple economy of a few generations ago, when the major part of the population depended on farming supplemented by unskilled wage labour, in many communities the levels of living and styles of life of Indians and Whites were not strikingly different. Today there is the growing danger that a majority of Indians together with a small minority of Whites may become a more-or-less permanently isolated, displaced, unemployed or under-employed and dependent group who can find no useful or meaningful role in an increasingly complex urban industrial economy.

The Indian Affairs Branch is now attempting to formulate a program that will encourage the more rapid development of Indians and it proposes to attack the problem on several fronts -- governmental and political, educational, social and cultural, as well as economic.

The goal of economic development seems crucial in any such program for two related reasons:

1. The receipt of income depends primarily on gainful employment, and income largely determines the degree to which people can enjoy the goods or facilities and participate in the various types of meaningful facilities and activities that Canadian society has to offer. Economic rewards are an essential means to other ends.

2. Gainful employment in jobs socially defined as useful and productive still remains the most important single field of activity for the vast majority of people. It is the main tie that links the adult with his society and that gives him a sense of status and identity. Prolonged or permanent unemployment, poverty and dependency, among individuals and groups, tend to become increasingly demoralizing and give rise to a host of costly and destructive social and psychological problems.

This is not to say, however, that economic development is or should be the key or primary goal in any program for Indians or that it is separate and distinct from other aspects of social life. On the contrary, as this study will emphasize, there is every evidence to indicate that the economic development of Indians depends not only on what have traditionally been viewed as economic factors, but on a variety of political, educational, social and cultural variables. Substantial change and progress in these latter aspects may, indeed, be needed before any substantial economic development can be achieved.

## Economics of Development

The broad ultimate goal that the Indian Affairs Branch holds on behalf of Indians in Canada is in one major respect similar to that of the advanced nations in relation to the developing countries -- that is, a long-range program of balanced economic and social development to approach equality in levels of material well-being and welfare between the two groups.

Since World War II there has been a widening gap in per capita income and welfare between the advanced and developing nations. Economic development on a national or international scale today requires vast accumulations of capital and expenditures for capital equipment, research, education and social welfare to cope with increasingly complex production techniques and social problems -- expenditures on a scale which only the already well-developed, high-income nations can afford. The developing nations, characteristically, are faced with rapid population increase and bare subsistence levels of income that leave little or nothing available for development. It is widely acknowledged by prominent experts and observers of the international scene that foreign aid on a large scale, intensive crash program will be necessary to arrest or reverse this trend.

The same tendency is apparent, on a smaller scale, within Canada and the U.S.A. as between Indians and Whites. As discussed further below, further economic participation of Indians in White society seems the only feasible path by which to achieve substantial improvement in economic status. The objective of increased participation would seem to call for a large and intensive crash program in the near future. The difficulties and costs of the program seem likely to increase sharply in the years ahead, for two main reasons:

1. Owing to extremely high and rising rates of natural increase, Indians are increasing in numbers more rapidly than their local resources and traditional means of livelihood can support. The income gap between Indians and Whites thus tends to widen year by year (except for the pockets of unemployable and dependent low-income Whites, in urban as well as sub-marginal rural areas, who have virtually ceased to play any effective role in the economy); and

2. There tends to be an increasing gap, likewise, between the skills that Indians have acquired, and those required by the developing national economy, which in the process of development becomes more demanding of social and community organization as well as of job requirements. In brief, it becomes increasingly difficult for the rural migrant or untrained urban worker, Indian or other, to get a foothold in the economy by starting in as an unskilled or semi-skilled labourer in urban industry and business.

There are, however, some obvious and significant differences between the two cases of the Indians and the developing nations:

1. Because of the magnitude of the problems involved, developing countries face definite limits in the amount of capital and technical or other aid available from the advanced nations. This creates difficult problems of choice for donors and recipients alike -- problems of allocation to produce optimum results in terms of contributions to economic growth and welfare. These, in turn, involve estimates of potential revenue among various agricultural, industrial or commercial projects, and even more difficult, comparisons of the welfare

effects of money put into revenue-producing industrial projects as compared to non-revenue producing educational, health or social welfare projects.

A government-sponsored and financed developmental program for Indians, by comparison, would face far less complex problems of allocation. For one thing, because of the relatively small size of the Indian population (hardly more than 1 per cent of the total Canadian population) a developmental program of unprecedented scope and liberality would still involve only a relatively minor proportion of the national income and of dominion and provincial revenues. The supply of funds and personnel for such a program would be essentially limited only by political considerations and public attitudes rather than by basic technical, physical or financial constraints.

It follows, therefore, that one major problem to be faced in encouraging greater economic development of Canada's Indian population is to encourage changes in political and public attitudes and policies that will bring about the kind of response required.

2. A major datum facing any program of aid for developing nations is that of nationalism, with all that the word implies. Most such nations are willing to receive external aid only to the degree that it does not jeopardize (or appear to, at least) their national sovereignty and independence, the maintenance of their distinct cultures, and valued institutions and customs. Nationalism often provides a strong drive for economic development, but at the same time may tend to revive and strengthen institutions and attitudes that frustrate the inculcation of attitudes, behaviour patterns and techniques necessary for such development. Generally, the smaller the nation (in terms of population, land area, size and diversity of resources), the more specialized it will be in its economy, the more dependent on external trade and aid, and therefore the less able it will be to achieve the double objectives of economic development and national independence.

Similar desires to maintain a sense of separate ethnic identity appear to a limited extent among Indians on this continent. In the nature of their situation, however, they are too small a proportion of the population, and most of the communities in which they reside are too small, scattered, and limited in resources, to provide viable economies that could support anything like independent societies. To achieve levels of economic and social development comparable to those of Whites would involve such heavy dependence on external aid and subsidy and such an intensive degree of participation in the White-controlled economy, as to make inconceivable any such degree of independence. Any substantial degree of economic development of Indians in Canada will require a far greater degree of participation in the Canadian economy and polity than has been achieved to date.

It should be stressed at the outset, however, that such participation does not require assimilation and loss of identity. Some Indians, in the process of involvement in our complex urban-industrial environment, are likely to organize and identify themselves increasingly with self-consciously Indian institutions and activities established on a larger-than-local regional or national basis. At the same time, unlike other minorities, Indians do have an assured status base in the form of reserve communities to which they have the option of returning, and these provide a stronger base for maintaining their identity than most other minorities enjoy. While the requirements for economic development will require larger numbers and proportions of Indians leaving their reserves to become established elsewhere, in most reserve communities a minority, at least, are likely to remain. There is no law or regulation, in existence or in prospect, which can force Indians to leave their reserve communities. The most that is recommended here is to provide financial aid and other support for the large and increasing numbers who wish to do so, where such measures are demonstrably the best means for improving their economic status and welfare generally. Meanwhile, for those Indians who remain in their reserve communities, a secondary but nonetheless important part of any economic development program on their behalf will require large and increasing investments in them, to provide facilities and services of a standard generally accepted as a norm for comparably-sized White communities.

The all-important factor in this whole discussion is the matter of choice. Poverty, generally, provides few, if any, options to the individual, particularly where, as with most Indians, it is associated with dependence upon external authority for relief, in cash or kind, and other services essential for survival. Indian identity has come to be associated with a special relationship with government, in which Indians have been guaranteed protection and maintenance at low subsistence levels on their own reserves.

Economic development should seek, primarily, to provide facilities and services that would widen the range of choices available to individual Indians, e.g. to work full-time, part-time, or not at all; to be relatively well paid or poorly paid; to leave their reserves to take advantage of higher income opportunities, or to stay; and for those who leave, a choice to lose their distinct ethnic identities in complex urban-industrial environments, or, alternatively, to assert them aggressively using what organized bargaining power they can muster as a separate pressure group.

In purely economic terms, an affluent society provides at least two choices to most individuals, namely, to be affluent or to be poor (and a significant minority of White society, who reject the activities and characteristics required to become affluent, opt for poverty). For the minority relegated, by prevailing circumstances beyond their control, to the ranks of the poor -- and most Indians are at present in this category -- no such choice is available. The main argument for the economic development and integration of Indians, in brief, is to provide the opportunities of making the kinds of choices that most other Canadians are entitled to.

## Economic Development

As the vast body of literature that has been written on the subject since World War II makes all too evident, economic development is a difficult subject to define meaningfully, let alone to measure and compare by degree among regions or countries. The same applies in attempting to compare degrees of development among different Indian communities in Canada. The measures here considered are:

### 1. Accumulation of Wealth-Ownership Per Capita

Per capita ownership of wealth has several obvious limitations as a criterion of economic development. Development, as such, has or should have, the connotation of a dynamic, on-going process. Wealth or ownership of capital, as such, is static. Only if the wealth is being actively used in conjunction with labour, resources, and technology to achieve continued growth, can it be considered as any accurate sort of index of development. Among Indian bands there is the special limitation that some of the richest of them, as measured by individual and collective ownership of wealth (in the form of band funds) have achieved this status primarily by the lease or sale of resources to others.

### 2. Per Capita Real Income

The most widely used single index for comparing the degree of economic development among nations is that of per capita real income, i.e. the volume of goods and services per head of population, allowing for differences in prices and exchange rates.

This index likewise has some obvious limitations. A relatively small but untrained or unskilled population that has the good fortune to occupy a wealth of resources having a large demand in outside markets may enjoy a higher average per capita real income than a more skilled and industrious population that controls limited resources. Thus, the Sheikdom of Kuwait, on the Persian Gulf, has one of the highest average real incomes of any country. Or again, by this measure alone, Canadians would be deemed more economically developed than Englishmen, Germans, or Japanese (indeed, four or five times more than the latter). Such limitations would apply with special force to Indians, as there is fully as extreme a diversity in resources owned by, or accessible to, various Indian bands as there is to the nations of the world. There is wide inequality among Indian bands likewise with regard to ownership of band funds and the receipt of band revenues. Finally, a large part of the income of many Indians is derived from external subsidies or relief, mainly because of inadequate economic development.

## 3. Per Capita Real Income from Gainful Employment

The only adequate single index for measuring economic development among Indians in Canada would seem to be that of per capita real income from gainful employment, for it measures the results of active, income-producing participation of individuals and groups in the economy, rather than of living off the proceeds (sales, interest, rents and royalties) of ownership of capital or resources. In some cases (as with the Sarcee and Sampson Bands in Alberta) such income may itself enable and induce Indians to avoid gainful employment and thus impede their economic development beyond a limited level.

## 4. Conflicting Models: Specialization vs Diversification

Measuring economic development by the single index of per capita real income from gainful employment necessarily has some limitations of its own.

(a) In the first place, a more significant index of comparative economic development among Indian bands may in some respects be the average annual earnings of the employed members of the band. The per capita income of a population depends significantly on a number of variables. For one thing, a few high income bands have had birth rates well below the generally high average for Indians since World War II, so that a smaller proportion of their population is in the unproductive, non-earning younger age groups (under sixteen). Again, there are wide differences in labour participation rates (particularly for women) in the population of working age (sixteen to sixty-four years inclusive). And finally, some bands whose full-time working members earn relatively high annual incomes, also have a relatively large fraction of unemployed or under-employed adult males. However, all of these are variables that contribute to or obstruct economic development. Average per capita real income, as a comparative index or measure, can reasonably be taken to include these variables.

(b) There is a more important objection to the narrower definition. On the international scene, developed and developing countries differ sharply in their industrial and occupational structures as well as in per capita incomes. Characteristically, the highest income, most economically advanced nations have a small and decreasing percentage of their population engaged in agriculture and other primary industries, a sizable but static or slowly increasing percentage in manufacturing or secondary production, and a large and rapidly growing percentage in the tertiary fields, e.g. sales and services, particularly in the professional category, and finance. They are also characterized by generally high educational levels, a consequent low and decreasing participation rate of younger age groups (below eighteen or twenty years of age) and a high and rapidly increasing participation rate of women (particularly married women) in the labour market. Developing economies contrast with this pattern on virtually every point. Most of their populations are engaged in primary production, and their economies usually specialize in a few staples in the primary category for sale in outside markets; they have customarily low educational levels, people go to work at a young age, and most women are engaged in work mainly for domestic consumption. Business, professional and managerial personnel comprise only a very small fraction of the labour force.

Should comparable models be used in comparing economic development among Indian communities, rather than the one simple index of per capita real income from gainful employment? Would there be a high degree of correlation in any case, between the per capita incomes of bands and the degree of diversification of band members in various specialized jobs? The picture appears mixed in this regard, as the analysis that follows will bring out.

The lowest income and most economically under-developed bands exhibit, on a small scale, much the same characteristics as do developing nations. This is particularly the case among the more isolated bands along the whole large northern wooded belt of the country, whose populations specialize to a high degree in hunting, fishing, and trapping. It is also true of numerous southern bands whose adult workers are largely marginal or sub-marbinal farmers or casual farm labourers.

Among the most economically developed bands at the other extreme, are some large Indian communities in Southern Ontario and Quebec whose members are employed in a variety of occupations -- farming, skilled and semi-skilled factory jobs, clerical labour, and a few business or professional positions and proprietorships.[1]

There are important exceptions to this generalization, however. Among the highest income bands -- in fact, the bands whose working adults receive the highest average annual earnings -- are several in which a large minority or a majority, of adult male workers specialize in certain types of relatively high-paid skilled or semi-skilled work, some of them in the primary industries and some in secondary industries. Among these are the Caughnawagas in Quebec, who specialize in high steel construction, and the Skidegate, Squamish, Sheshaht and Nimpkish, all in British Columbia, who specialize in such fields as longshoring, logging and fishing. With the exception of Nimpkish, these bands generally have a smaller percentage of their adult population engaged in business enterprises, professional and clerical work, and a smaller proportion taking post-high school or university education, than numerous lower income bands in Central Canada and in British Columbia.

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[1] There is, perhaps one notable type of exception to the generalizations in this section concerning the inability of minority ethnic or cultural groups to survive as viable economies, when established in relatively small communities having, at most, a few thousand inhabitants. The Hutterites are, perhaps, the most notable example that would seem to disprove the thesis. They have managed to retain relatively diversified and self-contained local economies, together with a language and a distinct set of religious beliefs, values, customs, modes of dress and styles of life that differentiate them rather sharply from the norms of the larger society that surrounds them. This ability to survive as a small, distinct minority group depends, however, on a number of special factors, such as:

1. The rigorous process of rejection that characterizes the membership of certain religious sects;
2. A strongly imbued, rigidly interpreted and enforced, religious doctrine;
3. The top priority given to farming, supplemented by ancillary handicrafts, as the necessary way of life and economic base of a separate religious-cultural community, to enable it to maintain the relatively high degree of independence and self-sufficiency needed for survival;
4. A closely integrated set of beliefs, values, and rules to support such an economy (e.g. idealization of work as such, particularly farm work; austerity and restriction in food, dress and recreation and other forms of consumer expenditure; etc.); and
5. A highly centralized and authoritarian system of internal government to assure compliance with community norms and restrictions deemed necessary for survival.

At various times, over the past several decades in Canada and the U.S.A., numerous sectarian minorities, having most or all of the characteristics, objectives and motivations outlined above, have attempted to establish and maintain themselves as independent, more or less self-sufficient cultural and economic entities. Few have managed to survive, despite intense and at times violent efforts to do so. (The Doukhobor sect, particularly the more fundamentalist Sons of Freedom wing, is a notable example.)

Indian bands for the most part, lack practically all of the qualities outlined above.

The possibilities of Indian bands achieving and maintaining viable local economies comparable to those of the Hutterites, therefore, seem very limited.

In the nature of the case, the criteria for measuring economic development, and the most feasible program or strategy for encouraging it, are not, and cannot be, the same for native Indian communities as for nations. Modern nations -- even the smallest and those most dependent on foreign trade -- are relatively large and diversified entities in which the people, in the aggregate, work, produce and sell most of the output of goods and services among themselves. No nation depends on external trade for more than one-half -- and very few depend on it for more than one-quarter -- of their total income. Therefore, economic growth of a nation depends upon developing an increasing diversity of specialized employments and outputs of goods and services.

By contrast, Indian bands in Canada, even the largest, are far too limited in population and resources to achieve anything approaching self-sufficiency. Their level of economic development depends essentially on their relationship with, and participation in, the external White-controlled economy.

One exception among Indians, in a sense, might be the few remaining partially nomadic bands that still derive their livelihoods primarily from hunting and fishing, and to a lesser degree, trapping. Even here, however, they are not independent or self-sufficient, in so far as they depend on deriving their livelihoods from externally-owned Crown lands rather than from their own reserves.

Among Indian bands there are different paths and different strategies for achieving economic development. For some, it involves specialization, and for others, diversification, depending on the productive economic relationships that can be developed with the Canadian economy in each area. For it is a cardinal tenet of international and interregional and even local trade, that the maximum economic advantage for the individual, the group or the community, lies in specializing in employment or output for sale in the outside market in those fields in which one has a comparative advantage, buying from outside those things that would cost more to produce at home, hiring the services of others to do jobs that one cannot do as well or as cheaply for oneself, and leasing to others resources that would yield more income than could be derived from developing them on one's own.

This is more than an academic question. It has important implications for any Indian Affairs Branch program designed to speed up the economic development of Indians. How should financial and other resources be used so as to get the maximum (or optimum) results in the shortest time? Should the main expenditures of money, time and effort be devoted to training and encouraging Indians to specialize in certain occupations for which they have special capacities and preferences, for which openings are most easily available, and which offer the prospects of adequate, though limited, returns in money and status which would yield highest average per capita real income in the foreseeable future? Or should the major effort be devoted to encouraging all Indians as individuals to develop to their full capacities, aspiring to a wide range of occupations that differ widely in education, skill and personality requirements, and that offer widely unequal returns in income and status and, on the average, perhaps lower per capita incomes than would the first pattern? In brief, should the main emphasis be placed on encouraging diversity rather than specialization in the role that Indians are to be trained and encouraged to play in the economy?

For various reasons gone into more fully below, the weight of evidence would seem to favour specialization during the foreseeable future at least. Maximum diversity may be more desirable ultimately, but in the nature of the case it would seem slower in achievement and results.

This argument should not be carried to the extreme, of course. It is a matter of relative emphasis. Individual Indians who show special aptitudes or interests for higher academic or technical education, or for clerical, business or other types of jobs that differ from those engaged in by the relatively well-paid minority, or majority of adults in the band, should be given every encouragement and aid to make full use of their talents and opportunities.

## Balance in Economic and Social Development

A very considerable change has occurred during the past few decades in the philosophy of economic development and social change, and in views as to appropriate government policies, as a number of comprehensive studies have brought out (e.g. Report on the World Social Situation, United Nations, N.Y., 1961).

i. Up to the late nineteenth century, the prevailing theory of economic development was essentially exploitative. Development required the accumulation of capital, which in turn required widening inequality of incomes. Some by virtue of superior strength, cunning or fortune at birth, got a larger share of the national income, and their fortunes made capital available for productive investment. Others, getting less, had to suffer poverty and deprivation as the price of progress. The Marxists and the more conservative laissez-faire economists were agreed on this point at least.

ii. A growing modification of these views developed with theories of, and movements for, reforms of various kinds. There was growing demand for legislation and welfare programs that would put some sort of floor under the incomes of the weak and the poor and protect them against exploitation. Economic development, or industrialization in the broad sense, was viewed by many as retrogressive from a social welfare point of view, because of many unhealthy developments it led to -- disorganization of community and family life, child labour, urban slums and congestion, and delinquency. Such social problems seemed most apparent when industrialization was introduced or superimposed by one cultural group upon another.

A rising expenditure by government for social welfare measures has thus come to be justified as necessary to cover the social costs of economic development and industrialization. Implicit in this view, however, is the assumption of competition and therefore a problem of choice, between economic (or revenue-producing) and non-economic expenditures. Welfare facilities and services, being non-revenue-producing, have to depend on tax revenue extracted from the revenue-producing sectors (predominantly private enterprise).

iii. Further shifts in emphasis have occurred since World War II with the growing interest in social and cultural variables directly affecting the rate of economic development; it is expressed in such phrases as "balanced economic and social development", or "balance and integration of economic and social development". No neat theoretical model or consistent body of theory has been formulated to provide firm guidelines for policy. It consists, rather, of a practical formulation of policy based on the following assumptions which come from considerable past experience:

(a) Economic development, or industrialization, does not necessarily constitute a sole or major cause of social disorganization and costly social problems. The most serious social problems today seem to be occuring on the most massive scale in those regions or countries in which economic development is failing to occur rapidly enough to meet the needs and aspirations of rapidly growing populations.

(b) Expenditures for social development in the broad sense -- for education, physical and mental health, etc. -- should not, therefore, be considered simply as costs (or debits) to be measured against the gains (or credits) that economic development makes possible. As the report of an expert committee of the United Nations put it recently: "Instead of treating social policy as a housemaid whose function is to tidy up human suffering and insecurity left in the wake of economic development, social objectives should be built in on an equal footing with economic objectives into comprehensive social and economic planning." (Op.cit., p. 23).

This postulates, in effect, two related views:

1. What adequate measures of social control and welfare undertaken in conjunction with economic development could prevent many socially disorganizing effects of such development, and reduce the costs of having to deal with various long-range social problems that would otherwise accompany it; and

2. That on the more positive side, expenditures of sufficient amounts, and of the right kinds (difficult as these are to judge) are or can be among the most important contributors to economic development, just as much as, or more than, capital expenditures for machinery, roads, irrigation projects, and the like. Indeed, as numerous ill-founded experiments since the war have shown, investments in real capital tend to mean pouring money down the drain unless there has been sufficient prior training and preparation of the recipient population to make adequate use of such facilities.

Economists have been paying increasing attention to the economics of human investment since the War, and have been coming to the conclusion that in many situations, the percentage rate of return (or percentage growth in output and income per dollar of investment) is greater when put into human capital than into "real" (or physical) capital.

Expenditures on education are a case in point. Some economists present a convincing case to argue that rising standards of education of the labour force, expenditures for research, the resultant accumulation of knowledge and its application in technology have, in the aggregate, accounted for the largest part of the increased productivity that the advanced western economies (as well as the U.S.S.R. and Japan) have experienced in recent decades.

Some of the same considerations apply to a lesser extent, probably, to other types of expenditures for social development. Programs that improve the housing, health and nutritional standards of a population should be expected to pay off in greater productivity and output made possible by greater energy, lower rates of absenteeism, etc. Improvements in mental health and family life through provision of better services should likewise pay off in better morale and stronger work motivations.

Such observations cannot be taken simply at face value, of course. The types of program and their timing in relation to one another, as well as the amounts spent on them, may be crucial. An educational program that stressed ancient virtues, or the classical values of an aristocratic elite, might generate a contempt for manual work, technical expertise, and business enterprise of the very kinds that an under-developed people most need to advance economically. Again, medical and health programs carried out on their own, without prior preparation for their end results, have contributed in many cases to rates of population growth that have outrun economic development, thus in the long run reducing rather than improving the sum total of human welfare.

## Birth Control and Economic Development

The above suggests, of course, that programs for the effective control of population growth are, or should be, among the most important in any serious planning for balanced economic and social development. Indeed, such economists as H. M. Villard have presented a convincing case supported by sound statistical estimates, that a large investment of foreign capital in a really massive campaign for reducing birth rates would increase the per capita real income of such countries as India or Pakistan considerably more than would an equally large investment in major capital projects.

Here, again, generalizations that are valid when applied to nations having to depend primarily upon their own resource development, capital accumulation and acquisition of technological know-how, are not always applicable to a group like native Indians, who comprise a minute fraction of the total Canadian population, and whose economic development, as noted, must depend primarily upon their greater involvement in wage and salaried employment in the larger economy. For the following reasons, among others, there would seem to be few, if any, valid grounds for recommending a concerted birth control campaign among native Indians as part of any overall program for their economic development:

(1) It would be unwise and discriminatory to single out any minority for a special birth control campaign simply on the grounds that it is poor and has a high rate of population growth;

(2) Most economists in Canada maintain that the country is under populated, and that a larger population would encourage economic growth and higher per capita output and income generally. Government policy has been based on this assumption, since World War II at least, and vigorous efforts have been made to encourage rapid population growth by such varied measures as family allowances and subsidized immigration.

(3) Native Indians comprise hardly more than 1% of the total Canadian population. While their rate of natural increase is almost double that of Whites, their total impact in numbers cannot be deemed to constitute any conceivable threat of over-population in the foreseeable future.

(4) Among Indians themselves, in the aggregate, the evidence available (as outlined in Chapter IV) indicates that a high rate of natural increase is not an important factor contributing to their generally low state of economic development. Some of the most developed bands (as measured by per capita real income from gainful employment) are among the largest in population, and have among the highest rates of natural increase; and vice versa.

Indians in some parts of Canada face a population (or over-population) problem in only one very limited sense -- that is, in various bands the population has outrun the capacity of locally available resources and job opportunities to support them, so that they are suffering declining real incomes from gainful employment. Such communities in reality, however, represent not problems of over-population that call for birth control measures, but rather, shortcomings of government policy and public attitudes that have failed to provide the facilities and services necessary to give Indians the education, training, motivation and mobility needed to enable them to develop economically.

All this, of course, does not rule out the provision of birth control aid and information for family planning to Indian individuals or households any more or less than for members of other groups.

### Welfare and Economic Development

Perhaps the outstanding example of unbalance and poor timing in economic and social development on the North American continent, may have been the administration of relief and social welfare. Ready provision of welfare grants and ancillary services to unemployed and indigent families may have encouraged people to remain in idleness rather than to look actively for work or to stay on a job. The Indian Affairs Branch has come in for particular criticism on this score although much of the criticism has been unfair and misguided. A far larger proportion of Indians than of Whites depends on relief at least part of the year and in some of the more depressed bands relief, together with other social security benefits such as family allowances and old age pensions, provide more income to the population than do their earnings from gainful employment.

Again, with the wisdom of hindsight, it is now apparent that a vigorous, well-designed and comprehensive program of economic development should have preceded, or at least accompanied, the provision of more liberal welfare or social security benefits. For, among a people who have become more or less accustomed to a low subsistence level of living, subsistence from welfare can permanently replace subsistence from work (particularly where, as in the case of most under-developed Indian bands, the work available for the members is often arduous, disagreeable, risky and low-paid, as in trapping, and in unskilled farm labour and construction jobs). Economic development when attempted under these circumstances, then, faces special difficulties because of widespread apathy, resignation and lack of motivation among the people it is attempting to develop.

In an attempt to counteract and reverse these tendencies, a new program of community development is being launched by the Indian Affairs Branch as well as by several provincial government departments. The central idea of this program is to help people to help themselves, to arouse and mobilize the latent or unused energies of people in various communities by inducing them, by one means or another, to undertake projects on their own that will contribute to their economic or social betterment, rather than relying increasingly on the government to provide a minimum of subsistence and other essential services. The various roles, requirements, and relationships between economic development and community development, respectively, will be discussed at greater length later in this study.

## Integration and Economic Development

To repeat, greater economic development for Indians in Canada is not an end in itself. It is essentially a means to other ends, a means by which they may participate more fully and effectively in the larger society and live a fuller, richer, more meaningful and satisfactory life. The larger goal of rehabilitation and development programs for Indians is their more successful participation in Canadian society.

The economic development of Indian communities in Canada because of their highly dependent position, rests essentially on the relationships which their members develop with the larger external society. Presumably, then, the more fully and actively that Indians participate in various facets of Canadian society, the greater their level of economic development should be. More specifically, if a high proportion of a band's members participate in various economic, political, social or other activities in Canadian society, and on a more or less equal competitive and cooperative basis with Whites, this would develop, or at least indicate, levels of motivation, skills and technical knowledge that would tend to raise the general average of real income above that of bands that remain comparatively isolated, economically and socially.

Such conclusions are not necessarily valid, however. A high proportion of band members in good jobs off the reserve might mean that a community is drained of its pacesetters while the residue remains economically and culturally depressed and impoverished. Or, by contrast, a geographically or socially isolated band could enjoy a relatively high level of per capita real income from gainful employment if it controlled or had access to high revenue-producing resources which members of the band were able to utilize effectively without participating actively with the outside.

Again, there is a question of the pattern of participation of Indians, as there is with economic development. Two Indian bands could be said, in a sense, to be similar in this respect if an equal proportion of their members of various age groups participated equally intensively and in comparable status levels, in organizations or activities in which Whites also participated. But the pattern of such participation, and its effects upon Indians and Whites alike, could conceivably be markedly different. Here again, as with economic development (and necessarily interacting with it), we may oversimplify the picture by setting up the two models of specialized and diversified participation.

The position was taken earlier that more rapid economic development for Indians could be achieved, in most cases, if the major aid and encouragement were given them to specialize in types of jobs which were most open and available to them, where such employment was reasonably well paid and met the special capabilities or interests of a sizable minority, or majority, of Indian members -- this as against attempting to train and prepare Indians for every conceivable type of employment that might be available to them sometime in the future.

One possible objection to the first alternative is that if Indians were to fit into the economy in a highly specialized role as predominantly semi-skilled or skilled manual labour, their social status or image might tend to be fixed at a certain level, and their ability to participate in numerous types of social and other institutions would be correspondingly limited. If Indians were trained and prepared for a more diversified economic role, even if it meant a lower per capita real income on the average, it might render them better able to participate in a variety of organizations and activities.

As against this, there is the major fact that, in our society, money income is still the major means of obtaining the satisfactions to be derived from the various facilities and activities that it has to offer. By and large, the greater the money income per capita of an Indian band, the greater will be the possibility of participation by its members in one activity or another in Canadian society and as stressed earlier, a specialized economic role by the majority, or a substantial minority, does not preclude giving every aid and encouragement to specially promising individuals to enter other types of jobs that offer higher rewards in income and prestige.

The image that a White community has of Indians would probably be improved as much by one or two outstanding members of a prestigious profession or other occupation, as by a larger number of moderately successful or mediocre aspirants or practitioners. Or, as another pattern, a band, the majority of whose adults are self-supporting semi-skilled workers is likely to create a better image than one in which a minority achieves special status in the White community, while a large minority or a majority remains in the ranks of the casual unskilled or dependents on welfare.

Again, the pattern of social, as distinct from economic, participation in Canadian activities and organizations (though the two are related) may follow a specialized, or a diversified, pattern. It seems to be characteristic of some bands, for instance, that a large proportion of the population participates actively with Whites in a limited range of organized activities -- for instance, trade unions and competitive sports. In other cases, a minority of Indians participates with Whites in a wider range of activities, such as P.T.A., church socials, 4-H clubs, Boy Scouts, etc. The professional Indian participant has become almost a distinct occupational or vocational type in his own right.

There is also a third variant to consider. So far we have been discussing two patterns of participation in terms of numbers or proportions of a band participating with Whites in the same organizations and activities. In different ways, both types of bands may be said to have limited autonomy or self-sufficiency. More or less in contrast to these are numerous Indian bands in which there is a high degree of organization within the band community, and most participation is in predominantly band-controlled organizations. This sort of pattern may tend to apply particularly to fairly large bands having a strong agricultural base and fairly diverse fields of employment, as well as having some degree of spatial separation from White communities.

This raises a number of questions: Do highly organized Indian communities (in this internal, semi-autonomous sense) tend to have culturally separatist tendencies? Or does wide and active participation within the community also encourage more active participation with Whites in outside organizations and activities as well? Again, does such a pattern of organization tend to slow down economic development of the group, through discouraging active participation in the outside labour market, or does it encourage it by strengthening the Indian's pride and morale? From the evidence available so far, there seems to be no very clear correlation between economic development, internal or autonomous organization within the band and patterns of participation in White society. The most unorganized bands (in the internal, semi-autonomous sense discussed above), include some of the poorest Indian communities in the country (particularly a number of isolated, depressed and dependent bands depending on hunting, fishing and trapping in areas with inadequate resources) but also some of the most economically developed and integrated bands (such as the Lorette in Quebec). Again, a high degree of economic participation of the specialized pattern discussed above does not necessarily preclude separatist tendencies or a strong drive for cultural autonomy, as shown by the example of Caughnawaga.

These various patterns of relationships, of course, have important implications for every important aspect of Indian Affairs Branch policy. They raise, first of all, the question of priorities in the allocation of funds and trained personnel. In educational policy, should the major effort be devoted to training Indians to play fairly specialized roles in the economy, or to giving the same type of education that Whites have at each age level? Should the Community Development program be oriented primarily to the Indian community as such, or should it focus primarily on nearby White communities as well, and on orienting Indians to the latter? In any economic development program generally, to what extent should capital and technical aid be devoted to encouraging and enabling Indians to develop the land or other resources available to them to the fullest extent, as against devoting it to aiding and encouraging them to move elsewhere and take special training courses for urban-industrial employment? How much should be expended for welfare, housing aid, social work and home economics counselling for Indians residing on reserves, as against those who have left the reserves and face special difficulties in adjusting to life in urban centers?

It is clear that in view of these issues and the wide range of differences among Indian bands with regard to the degree of economic development, ownership or access to resources and to markets, location in relation to White communities of various kinds, and degrees and patterns of participation in Canadian society, all facets of policy will need to be highly flexible and call for different priorities in different situations.

## CHAPTER III

## SOURCES AND METHOD OF THE ECONOMIC SURVEY

This is the first attempt to carry out a nationwide study of the economic status and development of Indians in Canada on a comparative basis. Hitherto, research studies of Indians in Canada have been local or regional in scope. Various divisions of the Indian Affairs Branch have made nationwide statistical and evaluative surveys of particular aspects of Indian life (educational levels, housing conditions, welfare expenditures, family income and the like). But no thorough-going attempt has been made, until now, to integrate and interpret data from these sources to get a comprehensive picture of the economic position of Indians across the country.

The questions this study will attempt to answer are:

What is the general economic status or level of development of Indians as a whole across Canada? What factors account for their generally low economic status?

What are the more significant differences among Indian bands with regard to per capita incomes and other indices or factors of economic growth (industrial or occupational structure; unemployment or under-employment; dependence on welfare and other forms of subsidy; accumulation of capital)?

What are the main variable factors -- geographic, economic, social, cultural or administrative -- that account for the differential levels of development among different communities?

What have been the main policies followed by the Indian Affairs Branch in administering to the economic welfare of Indians, and in what ways have such policies contributed, favourably or unfavourably, to their further development?

(1) The main source of data for this research survey is a detailed Resources Questionnaire which the Economic Development Division of the Indian Affairs Branch prepared and circulated in 1964 to Superintendents across the country, to include all bands within each agency. When all the questionnaires have been completed and returned, and their findings tabulated and analysed for all 562 bands, they will provide a far more accurate, detailed and comprehensive picture of Canada's 200,000 plus Indians than any that has been available before. The eighteen-page questionnaire contains no less than 124 questions, several of which cover two or more items. These, in the aggregate, provide a wealth of material concerning the current economic position of Indians. They include such items as: land and timber, and other resources in each band community; ownership of capital of various kinds; types of jobs, rates of pay, and duration of employment in each job; and organizations in the community.

Completing the survey requires a tremendous amount of time and effort on the part of already scarce and overworked I.A.B. personnel. In the few sample questionnaires that have been returned so far, covering individual bands, Agency Superintendents and their assistants report spending anywhere from thirty to seventy hours of work spread over a period of several weeks in addition to their regular duties, to complete each questionnaire for each band. At the time of making this analysis, not all the questionnaires were completed. Pending completion of the survey, it was felt that a reasonably accurate picture of the aggregate could be obtained from a selection of bands. A list of fifty bands was drawn up and superintendents in the agencies in which the bands are located were requested to give these first priority in completing and returning the questionnaires.

The basis of selection was as follows:

First, for each major province or region of the country (Maritimes, Quebec, Ontario, Prairies, British Columbia, the Yukon and North West Territories) the number of bands chosen and their population were roughly equal (as a proportion of fifty) to each region's Indian population in proportion to the total in Canada.

Second, the bands within each region in turn were chosen, as far as possible, from three rather arbitrarily defined types, classified as follows:

1. Relatively isolated and under-developed. Primarily hunting, fishing and trapping bands in the northern wooded belt from Quebec to British Columbia inclusive, but also including a number of bands located in farming areas in the more southern sections of most provinces.

2. Transitional. Bands located in more or less close proximity to White communities of various sizes, and subject to relatively rapid change.

3. Developed or advanced. Bands which, from the knowledge available, appeared to stand out above the vast majority with regard to such indices as per capita income, proportion employed in steady, well-paid jobs; low rates of dependency on relief or social welfare; and successful business proprietors or professional men. Only a few met these standards, and they were all in Southern Quebec, Southern Ontario and British Columbia.

By the end of October, 1964 questionnaires on thirty-five out of the sample of fifty had been completed satisfactorily and been made available. The job of compiling and tabulating, analysing and interpreting the data, adding data from other sources covering communities in the sample, and preparing it all for computer analysis took several months. It was decided to continue rather than wait for the remaining fifteen of the original sample to be returned. Most of the statistical estimates that are tabulated and analysed in the pages that follow are drawn from the group of thirty-five Indian bands. By the time of writing (May, 1965) a number of additional questionnaires had been received. However, a few of the earlier ones were not used in some of the tabulations because of obvious errors or omissions.

(2) There are some obvious objections to this selection in so far as the bands are not entirely representative of Indian bands across the country. While they account for slightly less than 7 per cent of the 562 bands, they have a total population of 35,683, or almost 18 per cent of the Indians in Canada. The larger, more economically developed bands (such as Six Nations, Caughnawaga, Walpole Island and Squamish) are over-represented in the selection of thirty-five, while the smaller, more isolated bands, and to a lesser extent, the rural bands in the Prairie region, are under-represented.

However, where the central interest in the analysis is economic development, as such, the data available about the economically developed bands are crucial.

Furthermore, there is already a sizable body of data about the relatively under-developed northern trapping bands available from such sources as the study of Indians and Metis in Northern Saskatchewan by Buckley, Kew and

Hawley (Centre for Community Studies, Saskatoon, 1963), in Northern Manitoba by Jamieson and Hawthorn (Committee on Manitoba's Economic Future, Provincial Government, Winnipeg, 1962) and in Northern Ontario by Dunning (Social and Economic Change among the Northern Ojibwas) and Greenwood (Big Trout Lake). Much of the analysis in this Report concerning Indians in the Northern region has been based on such sources.

Apart from the basis of selection, as outlined above, there are certain limitations in the Resources Questionnaire itself that should be noted.

(a) First, it should be stressed, the questionnaire was not designed for the specific needs and purposes of the current research project on Economic Development of Indians in Canada, with which this Report deals. As the title suggests, it is a resources questionnaire, not a questionnaire on economic development as such. That is, it was designed, within the limitations of time and personnel available to the Indian Affairs Branch, to provide a comprehensive and up-to-date 'inventory' of the main resources contained within, or available to, Indian band communities across the country, in relation to their resident and non-resident populations, classified into broad groups according to employability or unemployability, occupations, earnings, and regularity or duration of employment. These, of course, are the types of basic data essential for achieving any sort of overall view of the present economic status of Indians in Canada, and the magnitude of the economic problems they face in each area; and, despite various limitations noted below, it provides by far the best source of data available to date for measuring and analysing, on a nation-wide scale, the major issues of economic development for Indians.

If the questionnaire had been designed primarily to measure the comparative levels of economic development achieved by Indian bands across the country, and to assess the numerous factors contributing or retarding such development -- as this Report attempts to do -- numerous additional questions, covering a wider and more detailed list of data, would have to have been included in the questionnaire, at the cost, of course, of much additional staff time and delay.

It should be added, furthermore, that in preparing a lengthy, complicated and detailed questionnaire, it was almost unavoidable that various gaps and ambiguities in the questions would come to light after the completed questionnaires started coming in.

For these reasons, therefore, there are certain limitations in the questionnaire, as a main source of data for the present study, as follows:

1. The main attention is devoted to the primary fields of employment, particularly farming, and relatively little to the secondary and tertiary fields.

   For instance, in a section devoted to land use inventory there are more than two pages with twenty-three questions, a number of which have sub-sections calling for further detail, and in another section entitled "supplementary questions regarding improved land" there are an additional four pages with thirty-eight questions. Altogether, these comprise almost one-half of the entire questionnaire. The majority of both sets of questions are concerned with actual or potential agricultural use of Indian reserve land. As the survey itself brings out, and other studies substantiate this, farming plays a relatively small role in the economy of most Indian communities, and its potentialities with regard to their general economic development seem limited, at best.

2. The section dealing with capital inventory comprises forty-eight questions dealing with types of capital items, classified under the following headings: "vehicles", "agricultural fixed assets", "farm machinery and equipment", "logging machinery and equipment", "major fishing, hunting and trapping equipment", "other fishing, hunting and trapping gear", and "livestock". Each of these is, in turn, itemized in number and value under the headings of "band owned", "individually owned" and "department owned".

From the evidence available in the sample survey the primary industries covered employ more than one-half of all Indian workers in the country, the majority of whom are self-employed. But they represent fields of generally decreasing employment opportunities compared to wage work in other industries. And, because of the generally low rates of earnings, they contribute considerably less than one-half of the total earnings received by Indians from gainful employment of all kinds. Nevertheless, to repeat, an inventory of such items is extremely useful and valuable in itself in answering a number of questions and opening up numerous interesting lines of analysis.

Lacking from the list are any questions regarding the number, types and values of fixed assets, equipment and stock in the non-primary categories -- that is, industrial, commercial or service establishments of various kinds including (1) those owned or operated by band members both on and off reserves; (2) those on reserves that are owned and managed by non-Indians; (3) those on reserves that are owned by non-Indians but managed by Indian band members. These comprise one of the most significant indices to the economic development of a band.

The only provision for these type of data are three broad questions as follows:

(a) "Comment on enterprises of importance introduced in previous years, indicating success or otherwise; e.g. sawmills and other efforts to create commercial projects, etc.

--very successful
--mostly successful
--some success
--tried but failed
--none tried."

(b) "Are there processing, manufacturing or commercial enterprises on this reserve?"

Yes No

(c) "If Yes for the three principal enterprises, state the type, indicating whether ownership and management are exercised by (a) Indian band, (b) individual Indians, (c) Indian Affairs Branch, or (d) non-Indians."

3. The questions dealing with the make-up of the labour force, types of jobs, duration of employment and rate of earnings likewise have several limitations, so that some highly useful types of information are lacking.

(a) For instance, one section asks for estimates of the number of employable males in the band population, and the numbers employed and unemployed, for various months of the year. This, of course, is a crucial measure of a community's economic health. Unfortunately, however, there is no provision for obtaining similar data for women workers, so that there is no way of knowing how many women are employed, what kinds of jobs they do, and at what rate of earnings (except in those questionnaires which clearly specify jobs done by women; e.g. nurses). Entrance of women into the outside labour market, particularly in factory, white-collar and service jobs, is another key element in a community's economic growth.

(b) Again, a wealth of valuable information is available in a question entitled "employment of residents on or off the reserves". This lists nineteen different categories of work, for each of which data are to be tabulated under the headings "number of workers", "man months of work", and "estimated income". Additional highly useful data could have been obtained with a fuller description and breakdown of certain classifications. Again, the main attention is given to the primary fields of employment, and relatively little to the secondary and tertiary. The primary fields account for nine out of the nineteen classifications, and are broken down into specific industries; e.g. "forestry on reserve", "forestry off reserve", "beef stock ranching", "dairy farming", etc. Other types of wage or salaried employment are classified into a limited number of broad categories (i.e. "clerical and office work", unskilled casual labour", "skilled labour", "self employment in other industrial and commercial enterprises" (other than farming and primary industries) and "other sources of employment (specify)). Each of the categories is further broken down into "on reserve" and "off reserve".

(i) One notable and important category of work that is omitted is that of semi-skilled labour in a variety of fields, such as factory work, truck driving and longshoring. The result is some inconsistency in the returns from the completed questionnaires. Some respondents, for instance, put longshoremen in the "unskilled casual" category, while others classed them as "skilled".

(ii) Again, it would be interesting and valuable to know in what specific types of industries Indians in different bands across the country are being employed in wage or salaried work, with a breakdown at least as detailed as that for primary industries, such as: "factories", "stores", "service establishments", "building construction", "railways and highways", "automotive transportation", etc. Fortunately, much of the missing information for the fifty bands in the sample used here is supplied by other sources, such as a survey questionnaire carried out by the I.A.B.'s Welfare Division in 1963, in which in one section, agency personnel were asked to provide data for each band on "main sources of outside employment", listed in order of importance.

Despite such limitations as these, the Resources Questionnaire provides a wealth of data which have not been available hitherto for assessing the present economic status of Indian bands across the country, and their potentialities for future economic growth. If members of the current research project had attempted a comparably wide and comprehensive survey of their own, with additional questions focussing on special developmental aspects, a far larger staff and larger expenditures of money, time and effort would have been required to get the same essential basic data, and there would have been much more delay in getting such data collated and analysed.

4. There may also be some doubts concerning the reliability or accuracy of the data on incomes, particularly on estimates of real income per capita from gainful employment, which are central to the analysis that follows. The question of accuracy, however, appears to be an unavoidable problem in any attempt to get reliable estimates of personal income among any particular group in the population. There is no reason to believe that the estimates provided in the Resources Questionnaire are any less reliable than other widely used types of personal income surveys. This point perhaps merits discussion at some length.

(a) Accurate estimates of personal incomes -- except in terms of large national aggregates -- are, of course, notoriously difficult to get. Some of the most widely used sources are open to wide margins of error. Census returns, for example, depend primarily on the responses of individual householders (which are themselves often unreliable) supplemented by sample checks of payrolls, farms, businesses and other sources. Income tax returns, likewise are open to miscalculation, concealment and outright fraud, and in any case do not provide data for the lower income, tax exempt groups (among which are the majority of Indians). Much the same applies to smaller sample surveys. In general, income earners or households tend to be secretive about their earnings and, to inquisitive outsiders seeking information, to under estimate or under state them. Opportunities for doing so are often quite substantial, in view of the widespread prevalence of non-standard or supplementary sources of income in many occupations, such as: overtime and holiday pay; shift differentials; piece rates; bonuses, tips and gratuities in cash or in kind; earnings from "moonlighting"; and so on.

(b) The personnel of Indian Affairs Branch agencies responsible for providing income and other data for the Resources Questionnaire would seem to be generally in a position to get more reasonably accurate estimates with regard to Indian households than is the case with most types of personal income surveys. This would seem likely for the following reasons:

(i) The dependence of most Indian households upon the Indian Affairs Branch for relief loans, and other types of goods and services, gives Agency Superintendents and other personnel an unusual degree of knowledge about the assets and affairs of households under their immediate jurisdiction.

(ii) The limited fields of employment available to Indians in most bands, and their limited mobility, makes it relatively easy to assess and check their average earnings in wage or salaried employment.

(iii) So also the fact that fairly detailed and accurate records of output and earnings are kept in fields in which Indians are widely engaged as self-employed proprietors. In regard to trapping, fishing, logging and pole-cutting, for instance, such records are generally required by provincial governments for purposes of conservation policy. Furthermore, the outputs in such fields of employment are generally sold through one, or at most a few, buyers in each locality, so that reasonably accurate estimates of the incomes received by producers are not too difficult to derive.

(iv) Again, most types of wage or salaried employment in which relatively large numbers of Indians are engaged outside of their reserves (e.g. farm labour, construction work, guiding, logging, longshoring, sawmilling, factory and clerical work generally) usually pay fairly standard hourly, daily, weekly or monthly rates over fairly wide areas, as established by custom, collective bargaining, or the forces of demand and supply in the labour market.

(c) Special difficulties are encountered by the Indian Affairs Branch in attempting to get accurate estimates of real income in the following categories:

(i) Of Indian band members engaged in various types of casual jobs, as well as some types of steady employment, that take them away from their reserve communities for months at a time, or permanently. As noted in the statistical data in following chapters, for a number of bands, the Indian Affairs Branch respondents have made no attempt to estimate the earnings of non-resident band members. In such cases the estimated per capita earnings of a band apply only to the reserve residents. For some of the larger, more developed bands with a high proportion of non-residents -- such as Six Nations and Tyendinaga, for instance -- this may involve a considerable underestimate of their earnings, in so far as the Resources Questionnaire brings out the fact that in most bands, where fairly accurate estimates are possible, Indians who have left their reserves for outside employment generally earn considerably higher incomes, on the average, than their fellow band members who remain.

(ii) In estimating average per capita real income, another type of difficulty arises in the case of numerous Indian bands, particularly in the vast Northern wooded belt of the country, that are mainly resource-based in their economies, in such fields as hunting and trapping, fishing, pole-cutting, guiding and handicrafts. While generally having far lower money incomes, on the average, than those who specialize in wage or salaried employment for a large part of the year, Indian households in such bands generally derive a large (but difficult to estimate) part of their livelihoods from production for home use rather than for the market (e.g. game, fish, fuel wood and timber; hides and handicrafts; etc.) The net value of such items, in terms of equivalents in money income, is exceedingly difficult to assess for each band. The adequacy of resources within commuting or transporting distance of band reserves varies widely, for one thing. In some bands, most or all of the households are engaged in hunting, fishing, trapping and food gathering the year round. For some bands such things constitute a large item. The twenty-eight households in the Dog Rib Rae Band in the Northwest Territories, for instance, in addition to their hunting and trapping, catch an estimated 100,000 pounds of fish per annum, or an average of more than 3,500 pounds per household, while in others, produce for home use is derived only by those households whose adult males are actively engaged in commercial fishing or trapping for a few months of the year. And, as against the value of real income derived from nearby resources, there are the higher prices that have to be paid by members of Northern Indian bands, for purchased goods and services, due to long distances and high transportation costs, as compared to bands in more Southern regions.

Similarly with regard to farming. In some bands having farm proprietors who specialize in grain production, for instance, little or nothing may be produced for home consumption, while in others, engaged in growing diversified crops or livestock, the value of output produced for domestic use often far exceeds that sold in the market.

To meet such problems, a somewhat arbitrary estimate of average real income per annum for each band has been chosen, by assuming a value of $50 a month for home-produced output for each household, for the months in which its members were engaged in farming, trapping or fishing. This is the most frequently quoted estimate of Indian Affairs Branch officials and others familiar with the situation, who were queried on this score. For some bands, of course, this will be an overestimate, while for others (particularly those in which a large proportion of households are on relief, or engaged in casual wage employment, but which also hunt, fish, raise vegetables or cut timber and fuelwood for varying periods of time for their own use) it will be an underestimate.

(iii) Another sizable gap in knowledge, that perhaps leads to considerable underestimating of average per capita incomes, applies particularly to some of the higher income bands -- such as Skidegate, Sheshaht, Caughnawaga and Tyendinaga -- in which a high proportion, or majority, of adult male members are engaged in highly-paid skilled jobs. Particularly is this the case where jobs are on piece rates and involve a good deal of overtime, and where a large proportion supplement their wage work with other remunerative activities such as fishing. As against these factors, there is the fact (contrary to a widely held view) that Indians have to pay income taxes, on the same basis as do Whites, on earnings derived from jobs or resources outside of reserve boundaries. This would tend to narrow the gap, in average disposable income, between the high and low income groups, in so far as most workers in the latter category earn less than the minimum taxable level.

In any case, granting these limitations in knowledge and possible sources of error, a broad comparative analysis of a sample of Indian bands, ranging from the highest to lowest income groups, does not require precise accuracy. The types of errors or omissions, overestimates and underestimates, as discussed above, would tend to be fairly consistent throughout the range, and sometimes to cancel one another out. Thus, while probably none of the income estimates, in statistical tables in the chapters that follow, are precisely accurate, the place of most bands in the range, and the relative differentials among main income groups is probably correct. Within broad income groups, of course, whether high, medium or low, various individual bands would probably have to be moved one or two places further up or down, if fully accurate measures of per capita real incomes were available in every case. But it is the comparative position of Indian bands in an income-ranking, rather than a precise knowledge of their actual real earnings, that is of major interest in assessing the factors accounting for differential rates of economic development.

5. Other limitations in the information supplied by the Resources Questionnaire are unavoidable, due to the nature of the material and the difficulty or impossibility of getting reasonably accurate estimates of some kinds of data.

(a) For one thing, the unit of study chosen is the band. If the unit chosen were the individual or family, a study of a 5 per cent or 10 per cent random sample of the total Indian population might show somewhat different results (for instance, an economically depressed Indian band might be one which most of the more enterprising or economically successful members have left).

A special study of a representative sample of economically successful Indians in different regions would thus seem called for. Of particular interest in this regard would be Indians who had permanently left their band reserves and become more thoroughly integrated with the wider society.

(b) Secondly, and more important, several scattered studies, special reports and casual observations, together with data from the Resources Questionnaire itself, seem to indicate that the most important determining factors governing the rate or pace of economic development of Indian bands have not been included in the questionnaire, and would not have been feasible to include in any case because they are too intangible to be identified and quantified in manageable statistical form in a broad survey of this kind. These include such questions as:

--predominant attitudes and values of Indians with regard to wage employment of various kinds, acquisition of durable consumer goods, and accumulation of capital for independent business ventures;

--rewards or sanctions of the Indian community, applied to individuals who achieve success in professional or business careers;

--character and techniques of leadership, and the type of ideologies required, in Indian communities;

--the role and impact of traditional (or revived) ceremonial activities;

--attitudes, behaviour patterns and policies towards Indians by various elements (particularly employers, potential fellow workers, merchants and purveyors of credit) in the White community, and the reactions of Indians to these expressed or implied White attitudes, behaviour patterns, and policies; and

--finally, above all, the general structure of attitudes and relationships and patterns of participation and interaction between Indian bands and the larger White communities in different regional contexts

For data dealing with such topics as these, this project on economic development of Indians will have to depend upon the more intensive studies of particular communities. Some of these are already completed and published, and some of them are still underway. They may not comprise a properly chosen sample of Indians, in the rigorous, statistical sense, but they are sufficiently scattered and diverse in terms of location and social or economic contexts of the communities and individuals studied, to provide a realistic picture of the major non-economic variables affecting economic development.

## CHAPTER IV

## THE GENERAL PICTURE

In pursuit of the objectives outlined in the preceding chapters, and with the research data at present available, the appropriate first step is to provide a general picture of the economic status of Indians in Canada -- their main means of employment and livelihood, the duration of their employment, size of earnings from gainful employment, and the degree to which they depend upon other sources of income.

Tables A and B below provide a broad picture of this kind. They cover a population of 35,683 Indians in the representative sample of thirty-five bands. They range in number of people from 130 to more than 7,000. Slightly more than 73 per cent or almost three-quarters, were residing on reserves when the survey was made, while more than one-quarter were non-residents, though still retaining their band membership.

### Employment and Earnings

The total earnings from gainful employment of this population amounted in all to $10,843,638, or a little over $300 per capita, as compared to an average over Canada as a whole of $1,400.[1] (This low level of earnings per capita of Indians in comparison to the Canadian average as a whole, is due primarily to their concentration of employment in low-paid industries and occupations, and the wide prevalence of unemployment and under-employment. It is partly due, also, to their extremely rapid rate of population growth since World War II, and the consequent large proportion of their population below working age. From statistics taken from the Census of Indians in 1959 it was found that more than 49 per cent of the population in the thirty-five sample bands in Tables A and B were below the age of sixteen, as compared to the Canadian average of over 28 per cent, while the proportion in the productive age group of sixteen to sixty-four were roughly 45 per cent and 65 per cent respectively. In proportion to population, therefore, Indians had far fewer people in the productive age group as had Canada as a whole.)

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[1] This figure is derived by dividing the total Canadian population of 19.4 million average during 1964 into the total income of $27,475 million for that year. This income figure includes total wages, salaries and supplementary labour income; net income of farm operators; and net income from non-farm incorporated businesses -- in a word, total income from gainful employment. It does not include transfer payments from governments, or corporation profits, rent, interest or other purely investment income. (Bank of Canada Statistical Summary Supplement, 1964, pp. 112, 117, Ottawa.)

These earnings were derived from 7,962 jobs of varying duration and in various types of industries and occupations that are classified in Table A into fourteen broad categories. Most of these jobs were presumably carried out by the estimated 6,327 employable males between the ages of sixteen and sixty-four inclusive. Unfortunately, the Resources Questionnaire did not contain any queries concerning employment of women or of workers under sixteen years of age, so we have no way of knowing just how the jobs were distributed as among these groups.

The sample of thirty-five bands available for analysis and statistical tabulation, as pointed out before, is weighted on the side of the larger, higher income and more economically developed bands. Nonetheless, the general picture the figures present of native Indians in Canada is one of serious unemployment or under-employment,[1] poverty and dependency.

The average duration of employment during the year, as may be seen from Column 3 in Table A, was only 4.8 months during 1964-65 (though as noted, this does not tell us the average months of employment per worker during the year, as we have no way of knowing how many workers held more than one job during the year).

A breakdown of the 6,327 employable males in terms of months of employment provides a more graphic picture, as shown in Table B. Only 28.5 per cent were employed more than nine months of the year, while 61 per cent were employed less than six months, and 23.6 per cent less than two months.

Average yearly earnings per worker were similarly inadequate at $1,361 compared to the general Canadian average of almost $4,000.[2] A further breakdown by income groups, provided in a special welfare and housing survey by the Indian Affairs Branch in 1965 provided the following estimates for the 36 bands shown in Table B: only 11.5 per cent of the Indian households had incomes of $4,000 per annum or more; 78.5 per cent received less than $3,000, 54.5 per cent less than $2,000, and 28.2 per cent less than $1,000.

Accompanying the widespread under-employment and low earnings, Indian households are heavily dependent on welfare (i.e. relief payments, in money or in kind) and other supplementary income. More than one-third (33.5 per cent) of all households in the sample depended on welfare grants from the Branch, and these amounted in toto to 9.3 per cent of total earnings from gainful employment. However, this underestimates the degree of dependence on welfare, because a number of Indian bands with larger band funds and revenues look after their own welfare needs. All types of transfer payments in the social security category to Indians including unemployment insurance, and family allowances, old age security and old age assistance, and welfare payments from band revenues as well as from public bodies, in the aggregate amounted to 31.4 per cent or almost one-third of total earnings from employment. (It should be pointed out in this connection that the percentage of total income received by Indians from welfare or "relief" payments has probably gone up in recent years, since the Indian Affairs Branch has adopted provincial scales in each region.)

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[1] The official statistics on unemployment, as formulated by the Dominion Bureau of Statistics and presented in most government publications are open to criticism on several grounds. The labour force is estimated in terms of those actively seeking work and the unemployed as those actively seeking work who have not been employed in the week or more preceding the time of interview. This method tends to underestimate the degree of unemployment in two ways: (1) people who have sought work unsuccessfully for a long period tend to become discouraged, and stop looking for jobs, then they cease to be counted as part of the labour force, and therefore as unemployed; and (2) people who, when interviewed, do have a job are counted as being employed, even though they may have been unemployed for weeks or months previously, and may lose their jobs and become unemployed for long periods subsequent to the interview.

In brief, the official statistics on unemployment tend to underestimate the degree of under-employed, which in the aggregate, is a more serious problem. The statistics provided in the Indian Affairs Branch's Resources Questionnaire provides a fuller picture, with regard to employable Indian males of working age.

[2] This figure is derived by dividing the total income from gainful employment in Canada, as described in a preceding footnote, by the civilian labour force averaging 6,933,000 during 1964. (Bank of Canada, op.cit.)

## TABLE A

## SUMMARY SURVEY OF EMPLOYMENT AND EARNINGS OF INDIANS IN THIRTY-FIVE REPRESENTATIVE BANDS ACROSS CANADA

| Industry or Occupation | Total Numbers Employed | Total Months Employed | Average Months Employment | Total Earnings | Average Monthly Earnings | Average Yearly Earnings Per Worker | Per Cent of Total Earnings | Per Cent of Total Employment By Months | Per Cent of Total Jobs |
|---|---|---|---|---|---|---|---|---|---|
| Forestry: | | | | | | | | | |
| On reserve | 592 | 2060 | 3.48 | 392,500 | 190.5 | 663.0 | 3.6 | 5.4 | 7.4 |
| Off reserve | 287 | 1100 | 3.83 | 208,400 | 189.5 | 726.0 | 1.9 | 2.9 | 3.6 |
| +Fishing | 366 | 1152 | 3.15 | 401,016 | 348.0 | 1095.5 | 3.7 | 3.0 | 4.6 |
| +Trapping | 1115 | 4025 | 3.6 | 646,242 | 160.69 | 580.0 | 5.96 | 10.5 | 14.0 |
| Guiding | 176 | 481 | 2.7 | 90,300 | 188.0 | 513.0 | .83 | 1.3 | 2.2 |
| Food gathering (inc. wild hay) | 1070 | 1219 | 1.1 | 103,600 | 85.0 | 96.8 | .95 | 3.2 | 13.4 |
| Handicrafts | 326 | 1150 | 3.5 | 69,285 | 60.25 | 212.5 | .64 | 3.0 | 4.1 |
| Sub total | 4037 | | | | | | 17.6 | 29.3 | 49.3 |
| Proprietor farm | 298 | 2244 | 7.5 | 488,230 | 217.6 | 1638.35 | 4.5 | 5.8 | 3.7 |
| Proprietor, non-farm | 185 | 1552 | 8.4 | 487,000 | 313.8 | 2632.4 | 4.4 | 4.0 | 2.3 |
| Professional and technical | 52 | 542 | 10.4 | 266,000 | 490.8 | 5115.4 | 2.45 | 1.4 | .65 |
| Clerical | 207 | 1977 | 9.55 | 479,680 | 242.6 | 2316.8 | 4.4 | 5.2 | 2.6 |
| *Skilled | 1115 | 9429 | 8.45 | 4,944,495 | 524.4 | 4434.5 | 45.6 | 24.6 | 14.0 |
| **Unskilled and Casual | 2168 | 11339 | 5.2 | 2,266,890 | 200.0 | 1045.6 | 20.9 | 29.6 | 27.2 |
| (Farm Labour) | (95) | (360) | (3.8) | (50,600) | (140.5) | (532.6) | | | |
| Total | 7967 | 38267 | 4.8 | 10,843,638 | 283.4 | 1361.1 | 100.0 | 100.0 | 100.0 |

+ For those bands specializing mainly in hunting, fishing and trapping, an allowance of $50 per month per household for "country food" was made, in arriving at the earning figures above. The same allowance is made for farm proprietors.

* A number of relatively well paid semi-skilled workers, such as loggers in British Columbia, truck drivers, and steadily employed factory workers, were included under "skilled" in this table, rather than under "unskilled and casual" or (in the case of loggers) "Forestry" as provided in the Indian Affairs Branch Questionnaire.

** In a number of the completed questionnaires, farm labour was included in the broad category of "unskilled and casual". Only 95, as shown in this Table, were clearly defined as such.

## TABLE B

## SUMMARY OF SURVEY OF EMPLOYMENT, EARNINGS AND DEPENDENCY AMONG THIRTY-FIVE REPRESENTATIVE BANDS

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Total Population = 35,683

On reserves 73.2%
Off reserves 26.8%

Employable Males Aged 16 - 64 = 6,327

Employed more than 9 mos. 28.5%
Employed 6-9 mos. 10.6%
Employed less than 6 mos. 61.0%
Employed less than 2 mos. 23.6%

Annual Earnings of Workers

Less than $1000 = 22.5%
Less than $2000 = 62.1%
Less than $3000 = 81.7%
More than $5000 = 4.6%

Welfare

Total expenditure on Indians = $1,007,796

= 9.3% of earnings
Coverage 33.5% of households

Total Transfer Payments to Indians = $3,407,887

= 31.4% of earnings

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TABLE I

| Bands Ranked a/c Average Per Capita Real Income from Gainful Employment | Per Capita Real Income | Average Months Employment Per Worker | Average Months Employment Per Job | Per Cent Distribution of Main Sources of Employment of Bands by Industry and/or Occupational Status | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forestry | Fishing | Guiding | Handicrafts | Food Gathering | Farm Labour | Casual Unskilled | Skilled | Clerical | Professional | Farm Proprietor | Proprietor Non-Farm | Trapping |
| Skidegate | 1252 | 10.6 | 6.7 | | 21.6 | | 4.9 | | | | 70.3 | | | | 3.24 | |
| Caughnawaga | 793 | 9.2 | 8.2 | | | | | | | 6.5 | 83.6 | 8.5 | | | 3.0 | |
| Walpole Is. | 715 | 6.16 | 5.9 | | 2.9 | 3.0 | 6.5 | | | 55.4 | 8.0 | 8.1 | | 8.7 | 3.5 | 3.8 |
| Sheshaht, V.I. | 664 | 10.7 | 10.7 | | .8 | | | 2.0 | | 24.8 | 72.3 | | | | | |
| Lorette | 630 | 10.5 | 8.7 | | | 3.0 | 14.0 | | | 32.3 | 18.5 | 10.1 | 2.0 | | 19.5 | |
| Squamish | 630 | 8.0 | 8.0 | | 1.5 | | 2.1 | | | 62.6 | 28.3 | 1.7 | | | 1.7 | |
| Tyendinaga | 516 | 8.3 | 8.0 | | | | | | | 24.5 | 36.5 | 12.0 | | 17.5 | 4.6 | |
| Curve Lake | 350 | 7.3 | 3.1 | | | 6.8 | 8.1 | 10.2 | | 30.6 | 28.5 | | | | 8.1 | 8.0 |
| Six Nations | 350 | 7.5 | 4.0 | | | | | | 13.9 | 35.8 | 26.8 | 2.1 | 8.5 | 12.9 | 4.7 | |
| Mistassini | 341 | 5.6 | 5.6 | 8.1 | 2.9 | 2.3 | | | | 27.6 | 2.3 | 1.4 | | | | 54.3 |
| Masset | 336 | 3.8 | 3.8 | | 20.5 | | 6.0 | | | 52.2 | 14.9 | | | 1.9 | 4.3 | |
| Dog Rib Rae | 332 | 5.67 | | 8.0 | 12.3 | | 4.0 | | | 28.6 | | 4.0 | | | | 42.5 |
| Port Simpson | 325 | 6.9 | 4.35 | | 30.0 | | | | | 36.4 | 24.6 | | | | 5.5 | 2.1 |
| Kamloops | 314 | 9.5 | | 7.2 | | | | | 5.0 | 51.8 | 8.6 | 1.4 | | 11.5 | | |
| Sarcee | 302 | 6.7 | 2.82 | | | | 10.7 | | 17.8 | 21.4 | 10.7 | 6.9 | | 23.5 | | |
| Fort William | 298 | 8.1 | 6.45 | 31.7 | | | | | | 40.1 | 16.9 | 8.4 | | | | |
| Williams Lake | 291 | 7.5 | 3.23 | 13.3 | | | | 26.6 | | 23.9 | 10.6 | | | 25.7 | | |
| Moose Factory | 284 | 6.24 | | 6.1 | | | | | | 48.0 | 24.6 | 4.9 | | | | 12.3 |
| Fort Alexander | 255 | 7.1 | 1.7 | | | | | | | | | | | | | |
| River Desert | 250 | 4.9 | 3.5 | 53.4 | | 15.4 | 2.7 | | | 5.6 | 5.1 | 6.2 | 2.5 | 2.6 | 3.7 | 6.2 |
| St. Mary's | 249 | 7.27 | 2.3 | 55.8 | | | 3.3 | 4.2 | 6.2 | 22.5 | 1.2 | | | | 3.3 | |
| Attawapiskat | 247 | | | | | | | | | | | | | | | |
| Pointe Bleue | 222 | 6.2 | 5.6 | 3.3 | | 5.6 | | | | 40.1 | 14.7 | 20.3 | | | 8.1 | 5.0 |
| Tobique | 215 | 10.6 | 3.7 | 10.3 | | 11.0 | 12.9 | | 41.2 | 16.5 | 8.2 | | | | | |
| Pekangikum | 197 | 6.3 | 3.4 | 6.8 | 19.8 | | | | | 13.5 | | | | | | 57.4 |
| Shubenacadie | 180 | 4.3 | 2.5 | 8.8 | | | 22.7 | 15.1 | | 26.5 | 6.0 | | | | 9.1 | |

TABLE I (continued)

| Bands Ranked a/c Average Per Capita Real Income from Gainful Employment | Per Capita Real Income | Average Months Employment Per Worker | Average Months Employment Per Job | Per Cent Distribution of Main Sources of Employment of Bands by Industry and/or Occupational Status | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Forestry | Fishing | Guiding | Handicrafts | Food Gathering | Farm Labour | Casual Unskilled | Skilled | Clerical | Professional | Farm Proprietor | Proprietor Non-Farm | Trapping |
| Oak River, Man. | 176 | 3.6 | 3.6 | | | | | | 8.7 | 31.2 | 10.4 | | | 32.3 | 8.7 | 8.7 |
| Rupert House | 174 | 3.2 | 2.5 | 7.8 | | 10.4 | | | | 5.2 | | | | | | 62.3 |
| Cold Lake | 165 | | 3.4 | 25.5 | 2.8 | | 16.7 | | 5.5 | 10.0 | 3.2 | | | 18.7 | | 2.8 |
| Fort St. John | 161 | 5.0 | 5.0 | | | | | | | | | | | | | |
| Deer Lake, Ont. | 156 | 3.6 | 3.5 | | 18.7 | | 3.1 | | | 15.5 | 1.8 | 1.8 | | | | 56.6 |
| The Pas | 140 | 6.6 | 6.6 | 3.4 | | | 5.6 | | | 58.2 | 4.8 | 4.8 | | 2.4 | 13.5 | 4.8 |
| James Smith | 126 | 6.6 | 3.3 | | | | | | | 29.2 | | 5.2 | | 26.8 | | 15.1 |
| Peguis | 99 | 4.6 | 4.6 | 13.7 | 6.8 | | | | | 18.3 | 5.6 | 13.7 | | 37.0 | 1.4 | |
| Big Cove | 61 | 7.0 | 2.75 | 23.6 | | | 25.5 | | 28.3 | 5.7 | | 8.5 | | | 8.5 | |
| Piapot | 55 | | 5.5 | 11.0 | | | | | | 54.7 | 4.6 | | | 23.3 | 6.0 | |

# TABLE II

| Bands Ranked a/c Average Per Capita Real Income from Gainful Employment | Average Annual Earnings Per Worker $ | Average Monthly Earnings Per Worker $ | Partici- pation Rate % | Duration of Employment of Employable Males Aged 16-64 % Employed < 2 mos. | % Employed < 6 mos. | % Employed > 9 mos. | Annual Incomes of Resident Households* % < 1000 | % < 2000 | % < 3000 | > 4000 |
|---|---|---|---|---|---|---|---|---|---|---|
| Skidegate | 4642 | 438 | 37.7 | 2.8 | 5.6 | 64.3 | 15.4 | 30.8 | 54 | 30.8 |
| Caughnawaga | 4554 | 495 | 25.6 | 17 | 42.5 | 42.6 | 15 | 25 | 55 | 33 |
| Walpole Island | 2048 | 332.5 | 51.3 | 12.6 | 20.5 | 37.3 | 12.9 | 48 | 83 | 8 |
| Sheshaht, V.I. | 4400 | 411 | 34.7 | 6.4 | 11 | 85 | 20 | 28 | 40 | 50 |
| Lorette | 3529 | 336 | 52.3 | 5.7 | 5.7 | 94.3 | 11 | 30 | 53 | 24 |
| Squamish | 3427 | 428 | 38.9 | 9.3 | 29.6 | 51.8 | 6 | 24 | 60 | 23.5 |
| Tyendinaga | 3818 | 459 | 25.2 | 15.4 | 33.8 | 48.5 | 19 | 51 | 79 | 8 |
| Six Nations | 2660 | 308 | 24.75 | n/a | n/a | n/a | 6 | 24.2 | 70 | 8 |
| Curve Lake | 2222 | 304 | 39.5 | 22.3 | 60 | 40.0 | 25 | 79.5 | 88 | 10 |
| Mistassini | 1853 | 331 | 39.4 | 0 | 62.3 | 10.7 | 39 | 84.8 | 97.5 | 1.25 |
| Masset | 1428 | 370 | 45.7 | 34.5 | 84.1 | 15.9 | 15 | 30 | 50 | 30 |
| Dog Rib Rae | 1546 | 273 |  | 3.4 | 66.2 | 24.0 | 0 | 43 | 88 | 10.7 |
| Port Simpson | 2729 | 395 | 35.4 | 4.3 | 74.0 | 8.7 | 10 | 46.7 | 70 | 6.5 |
| Kamloops | 2037 | 214 | 40.3 | 8.0 | 40.0 | 50.3 | 19 | 33 | 78.5 | 10 |
| Sarcee | 1354 | 202 | 46.7 | 11.0 | 32.9 | 36.6 | 1.4 | 32.8 | 74.6 | 11.9 |
| Fort William | 2334 | 288 | 30.4 | 15.0 | 58.3 | 20.0 | 17.4 | 47.8 | 69.6 | 8.7 |
| Williams Lake | 1708 | 228 |  | 25.0 | 85.0 | 15.0 | 20.0 | 89 | 100.0 | 0 |
| Moose Factory | 2256 | 361 |  | 9.0 | 50.0 | 25.0 | 37 | 67.8 | 85.7 | 0 |
| Fort Alexander | 1992 | 279 |  | 14 | 72.7 | 20.4 | 56.6 | 78.0 | 88 | 3.2 |
| River Desert | 836 |  | 46.3 | 5.0 | 65.0 | 15.0 | 10.6 | 59.8 | 95 | 1.4 |
| St. Mary's | 1320 | 181 | 30.8 | 23.1 | 77.0 | 23.1 | 83.3 | 100.0 | 100 | 0 |
| Attawapiskat | 1400 |  |  | 3.6 | 75.7 | 6.3 | 70.6 | 98.5 | 100 | 0 |
| Pointe Bleue | 1800 | 290 | 23.2 | 65.0 | 80.0 | 19.4 | 38 | 77.4 | 87 | 2.6 |
| Tobique | 2050 | 193 | 20.0 | 30.4 | 98.0 | 2.0 | 74 | 85 | 94.6 | 2.7 |
| Pekangikum | 779 | 124 |  | 5.3 | 84.2 | 15.8 | 100 | 100 | 100 | 0 |
| Shubenacadie | 809 | 201 | 39.3 | 66.67 | 88.0 | 10.75 | 57.5 | 86.3 | 94.5 | 2.7 |
| Oak River, Man. | 770 | 214 |  | 62.5 | 97.0 | 3.0 | 54.5 | 91 | 100 | 0 |
| Rupert House | 810 | 253 |  | 27.5 | 52.5 | 5.8 | 82 | 100 | 100 | 0 |
| Cold Lake | 1840 |  |  | 66.67 | 85.2 | 3.7 | 7.8 | 97 | 98.5 | 0 |
| Fort St. John | 931 | 186 |  |  | 100.0 |  | 100 | 100 | 100 | 0 |

TABLE II (continued)

| Bands Ranked a/c Average Per Capita Real Income from Gainful Employment | Average Annual Earnings Per Worker $ | Average Monthly Earnings Per Worker $ | Partici-pation Rate % | Duration of Employment of Employable Males Aged 16-64 | | | Annual Incomes of Resident Households* | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | % Employed < 2 mos. | % Employed < 6 mos. | % Employed > 9 mos. | % < 1000 | % < 2000 | % < 3000 | % > 4000 |
| Deer Lake, Ont. | | | | 40.35 | 87.0 | 11.7 | 93 | 100 | 100 | 0 |
| The Pas | 1283 | 194 | | 9.3 | 32.4 | 49.0 | 51.9 | 85 | 98 | 0 |
| James Smith | 1143 | 173 | 23.1 | 50.8 | 80.0 | 13.3 | 55 | 82.3 | 95 | 3.4 |
| Peguis | 480 | 104 | 21.7 | 22.0 | 88.5 | 8.0 | 31.6 | 67 | 95.6 | .88 |
| Big Cove | 734 | 105 | 35.3 | 42.0 | 80.0 | 10.3 | 37.5 | 92.2 | 95 | 1.5 |
| Piapot | | | | 32.2 | 79.0 | | 33 | 81 | 94 | 0 |

* Figures derived from Housing Survey, Indian Affairs Branch, Ottawa, January, 1965.

Certain discrepancies appear in the data presented in Tables A and B, I and II, above (as, for example, in the ranking of bands according to per capita income, or in average monthly or annual earnings, on the one hand, and in proportions of populations in various income groups as shown in the columns on the right side of the Table II, on the other). For instance, Walpole Island, while classed as one of the higher income bands, shows a higher proportion of households with annual incomes of less than $3,000 and a smaller percentage with incomes of more than $4,000, than a number of bands having a considerably lower per capita income. The main explanations for such apparent discrepancies are as follows:

(1) The figures on per capita income and for average annual or monthly earnings per worker are derived from data in the Resources Questionnaire and other sources, and include, as noted earlier, an estimate of $50 per month employed in trapping, fishing and farming to allow for produce for home consumption. The figures for "Annual Incomes of Resident Households" are derived from the Indian Affairs Branch's Housing Survey of 1965, and include only cash income.

(2) The figures for "Resident Households" include all households in each of the band reserve communities listed. In many reserves a high proportion of households, and in some cases a majority, have no gainfully employed members, and depend almost entirely on government subsidy. The figures for annual average and monthly earnings, on the other hand, do not include such households, as they apply only to those individuals who are gainfully employed, at least part of the time during the year.

(3) Among the higher income bands, as noted elsewhere, there are generally high proportions of non-resident members, and they usually have higher incomes than the residents, thus raising the average per capita income level for the band as a whole. The income classifications for households in Table II, on the other hand, include only resident households.

## Occupational Distribution

The main reasons for the economically depressed and under-employed status of Indians in this sample seem readily apparent from their distribution by types of employment, as may be seen from Table A and Table 1. Almost one-half of 49.3 per cent of all the jobs they performed during 1964-65 were concentrated in their traditional fields of employment in primary, resource-based industries and occupations; namely, forestry, fishing, trapping, guiding, food gathering and handicrafts.[1] These are fields of employment that for various reasons yield inadequate incomes for most workers. They are highly seasonal by nature and a number of trends have tended to reduce employment opportunities rather sharply in recent years: rapid population increases that outstrip locally available resources in many areas, depletion of resources as a by-product of population growth, economic growth and industrialization; declining markets and low prices in some fields such as trapping; and technological changes that have reduced labour requirements per unit of output. Thus, employment in the traditional primary industries has been of comparatively short duration for the Indians studied in this survey, averaging hardly more than three months per annum, and low paid, averaging less than $200 a month. As may be seen from Table A, while these fields provided almost one-half of all jobs, they accounted for less than 30 per cent of all employment as measured by total man-months, and less than 18 per cent of all earnings.

More than a quarter of the jobs in this sample, 27.2 per cent, are in the unskilled and casual category; these are in addition to employment in the primary resource-based industries dealt with above. They provide only a slightly longer average duration of employment (5.2 months) and slightly higher average rates of pay ($200 monthly). A sizable fraction -- and in some cases a majority -- of jobs performed by members of all the bands in the sample lies in this category.[2] This is especially true of the more urbanized bands located in the more southern sections of the country.

Only 14 per cent of the jobs in this sample fall in the skilled category. These include some types of work that pay high wage rates (as seen by the $524 monthly average) but involve fairly protracted periods of unemployment, with an average of less than eight and one-half months of employment per annum. Nevertheless, these are the jobs of the higher average income group in the sample and while representing only 14 percent of all jobs, they account for 45.6 per cent or almost one-half of total earnings. The small minority of professional and clerical workers, while enjoying steadier employment, have generally lower average monthly rates of pay. Most of these are in the lower paid professions, such as teaching, nursing, social work, and a few salaried lawyers and doctors.

The minority of proprietors or self-employed, both farm and non-farm (outside of those engaged in forestry, fishing and trapping) appear to be largely in the marginal or sub-marginal category, to judge from the low average annual incomes of $1,638 and $2,632 respectively. (Note: In estimating the incomes of farm proprietors, as for Indians engaged in hunting, trapping and fishing, an arbitrary figure of $50 monthly was added to the earnings reported for the months in which they were engaged in such activities, to allow for the value of produce devoted to household use rather than sold on the market.)

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[1] The proportion of all Indians in Canada depending on these sources of employment is probably higher because, as noted before, the sample is weighted on the side of the more urbanized, developed, bands.

[2] As noted, the Resources Questionnaire listed wage jobs in only two broad categories; namely, "skilled" and "casual and unskilled". No provision was made for more-or-less regularly or continuously employed semi-skilled workers. In Tables A and I those workers employed for more than six months of the year, and at wage rates above $300 a month, were put in the skilled category. These include such groups as loggers and sawmill workers in British Columbia, longshoremen, truck drivers in some areas, various types of factory and construction workers, and maintenance men.

## Factors Conducive to Economic Backwardness

Among the bands across Canada, and among the thirty-five in the sample summarized in Tables A and B, and presented in more detail by bands in Tables I and II, there are wide variations in average earnings, in degrees of skill, in types of employment engaged in, in behaviour patterns of working, saving and spending, and other factors conducive to, or discouraging, economic development. A number of these differences among bands will be analysed at some length in the chapter that follows.

In view of this, it is obviously dangerous to indulge in sweeping generalizations applying to Indians as a whole in this country, in seeking to explain the depressed economic position of the majority, and their concentration in intermittent and low-income types of employment. There are, however, certain special forces that seem to apply in varying intensity, to virtually all Indians, and that tend to hold them back economically. A number of these have been analysed at some length in certain regional studies undertaken earlier[1] and various recent studies have brought to light additional ones.

For a large minority of Indians, of course, there are the obvious physical factors of distance and isolation from centres of job and income opportunities. This applies particularly across the whole northern wooded belt of the country, from Quebec to British Columbia. Most of these people are engaged mainly in trapping and fishing, and as noted earlier, average earnings in these activities are tending to decline due to rapid population growth resource depletion, inadequate or obsolete equipment and techniques, declining markets, low prices and other adverse trends. Meanwhile, few industries that offer sufficient alternative means of employment and income to Indians have failed to develop, as yet, in the northern region.

Another sizable group of the more economically depressed bands -- some of them more depressed and dependent, indeed, than in the northern belt -- are in predominantly agricultural areas, particularly in the Prairies. In some cases the population is too large to be maintained adequately on the land available to them, while in other cases there is ample land, but the band members have insufficient incentive, skill or capital to develop it adequately.

Here, too, there tends to be a lack of other types of industry to provide alternative employment

Even where a band is located within an area that offers numerous employment opportunities, the factors of distance and isolation may still be operative. For a number of reasons discussed more fully below, Indians in some areas tend to be less mobile than Whites more reluctant to leave their reserves permanently or for extended periods of time for employment elsewhere. Unless a plant, a business or industrial centre is within commuting distance of a reserve or band community, therefore, the majority, for this and other reasons, fails to take advantage of the employment opportunities available.

As against these, there are numerous bands in which the distance and physical isolation are obviously not the dominant factors impeding economic development. These account in the aggregate for a large minority, if not the majority, of Indians in Canada. In many parts of the country Indian bands are on the outskirts of, or within reasonable commuting distance of, cities or towns that offer potentially unlimited job opportunities to Indians. Again, in recent years, new resource development projects, and accompanying new industries and towns, have developed close to hitherto isolated Indian communities.

Yet only a minority of Indians, as Tables A, B, I and II above bring out, have been able or willing to take advantage of such opportunities, to the extent of obtaining steady work or seasonal jobs at relatively high rates of pay, such as to provide annual incomes of $3.000 or more (the level which social workers and others tend to identify as a minimum level of decency for a household).

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[1] Cf. H. Hawthorn, C Belshaw and S. Jamieson, The Indians of British Columbia (Toronto) 1957; S. Jamieson and H. Hawthorn, The Economic Future of Native Peoples in Northern Manitoba (Govt. of Manitoba, Winnipeg, 1962).

Here, obviously, the forces impeding the economic development of Indians are social, cultural or psychological rather than geographical, in nature. Again, it should be stressed that there are wide variations among Indian band communities as well as individuals -- and even among bands within the same localities, or adjoining the same cities and industrial centres, as well as among different regions across the country. One attempt is made in the next three chapters to isolate and analyse the main variables accounting for these widely differing rates of development among Indian bands in this category. But, to repeat, certain special factors appear to apply in varying degrees to all Indian communities acorss the country.

Among the more important of these are:

1. As Proprietors. A larger proportion of Indians than of Whites are, technically, self-employed proprietors in such fields as fishing, trapping, farming, logging and pulp wood cutting and, to a much lesser extent, manufacturing, retailing, transportation and local service industries. A small minority in some of these activities has achieved outstanding success, owning capital worth tens of thousands (even in a handful of cases, hundreds of thousands) of dollars, and earning five-figure incomes. The majority, however, as our figures and numerous other surveys have indicated, derives very limited and inadequate incomes from such activities -- less generally than can be earned by those employed at unskilled or semi-skilled labour in other industries. Numerous reasons have been offered: overcrowding and depletion in the primary resource-based industries, as noted; inefficient or obsolete techniques and equipment; inability or unwillingness to accumulate and maintain the capital needed for effective operations; lack of technical and business know-how; lack of initiative and enterprise; and so on.

2. As Employees. Indians in many cases face even greater difficulties in some respects in becoming established as wage or salary-earning employees when they do attempt to leave their traditional fields of employment in the primary resource-based industries. Among the more easily observed reasons for this are the following:

   (a) Inadequate education and training to provide the knowledge, skills and techniques required in a large-scale, complex economy that is subject to rapid technological and other changes. Unemployment generally in Canada has been concentrated among those who have less than a full grade school, and to a lesser extent, high school, education. The majority of Indians are unskilled workers who lack such educational qualifications.

   (b) Discrimination. Even where Indians have the necessary educational or skill qualifications for employment, they face widespread discrimination from potential fellow workers as well as from employers. Many firms follow a definite policy (informally or unofficially, where such policies are illegal in terms of provincial legislation) of refusing to hire Indians at all, or in token numbers at best. Such discrimination is not against Indians as Indians, in most cases; it has developed as a result of unfortunate experiences with or observations of them as workers which tend to build up an unfavourable stereotype. Awareness among Indians of these attitudes tends to evoke counteracting attitudes and behaviour patterns that reinforce and justify the Whites' judgment of them. And so on, in a vicious circle.

   The unfavourable image of Indians, as workers or employees, is frequently expressed in such words or phrases as "shiftless", "irresponsible", "unreliable", or "lacking in drive", "careless with equipment", "spending their money foolishly", "they don't turn up on the job when they're supposed to", and "they quit without notice". Often these traits or behaviour patterns are attributed to drinking. The unfavourable generalizations are often qualified to some extent by favourable ones, such as: "they learn fast", "they'll work under conditions no White man would stand", "they'd be top workers in this line if they'd only stay with it", and the like.

Whites also tend to have an unfavourable image of Indians as residents or potential neighbours, and thus discriminate against them in the provision of housing and various services. Such discrimination may develop out of the living habits of some Indians -- standards of dress, personal hygiene, comportment, housing and household management and child care.

These reactions are particularly apparent and important in small or medium-sized industrial or commercial centres near larger Indian reserves, and even more, in company towns or new company-controlled towns many of which have been built around the development of new resource-based industries (lumber, pulp and paper, mining and smelting) in areas hitherto predominantly Indian in population. Indians, in effect, are often frozen out of such communities by the attitudes and social pressures of the White residents. The companies that provide the payroll and economic base of such communities, and community officials under the pressure of local businessmen, may limit or exclude Indians as residents for fear that it might be difficult to attract and keep sufficient White residents and workers to assure continued growth of the industry and community.

In brief, then, many Indians even when they have the requisite skills, motivations and work habits, are prevented from getting remunerative wage employment because they are considered unacceptable in accessible centres of employment opportunity.

## Cultural Factors

In general, the behaviour patterns of many Indians, and the attitudes and responses evoked among Whites prevent most Indians from participating and sharing effectively in the economic opportunities potentially available to them. Basic to these problems are the special and distinct culture or cultures of Indians, which diverge more or less sharply from those of most White communities. In general terms, culture is used here to refer to a fairly distinct complex of institutions, values, and ways of doing things. Indians have cultures that differ widely among themselves, but at the same time have in varying degrees some characteristics in common that distinguish them from most Whites. These common characteristics have developed in response to highly specialized relationships with White society at particular levels, and a special system of administration, in which Indians have been under the direct control and influence of government, churches, and special interests (notably the Hudson's Bay Company in numerous areas) to a far greater degree than has any other ethnic group.

It is at best difficult, if not impossible, to sort out and measure the degree to which each of these forces has shaped the character, values, attitudes and behaviour patterns of Indians in general or in particular communities. In general, however, they have the following results:

### 1. The Culture of the Reserve

(a) Advanced industrial nations have achieved this status in large part only through a long period of education, indoctrination, training and conditioning of their people, to respond to motivations or goals that will induce them to put forth the effort, and submit to various disciplines, restrictions and hardships, of the kinds necessary to achieve substantial economic growth. Our modern economy is characterized by an elaborate structure of status and prestige positions, and a wealth of goods, services and activities that provide satisfaction or escape by way of compensations generated by the types of work that have to be done. The rewards offered require money, and people are motivated to work, to varying degrees, largely by the money to be earned.

To people of most non-industrial cultures, however, such rewards may be intangible or meaningless, and thus fail to provide effective incentives for participating more actively in the economy.

(b) Related to this is the fact that in most non-industrial cultures, the standard of living of most groups remains relatively static at a customary near-subsistence level, and the class or status structure is commonly ascribed rather than achieved. There is little or no incentive for individuals in such societies to work harder or longer to acquire money and accumulate goods to attempt to achieve higher status. Hence the time-worn complaint, familiar to many colonial areas as well as among employers of Indians in Canada, that "if you pay them more they simply quit that much sooner, once they have all they need". (This is not infrequently offered as a justification for paying Indian workers lower rates than Whites, for doing the same kinds of jobs. The dissatisfaction generated among Indians by unequal treatment of this kind probably enhances rather than reduces their rate of turnover.)

(c) Such societies are usually characterized by a close relationship of the individual to his family or kinship group and to his community and reserve. This relationship provides the individual with security in the social or emotional sense. It also provides him with a certain economic security in terms of a claim to at least a customary level of subsistence from family and kinsman. Individuals are reluctant to leave the community, and thus mobility to take advantage of outside job opportunities is inhibited, because prolonged absence in employment away from family and home village threatens to destroy such relationships and gives rise to anxiety and insecurity. This is often the governing factor that accounts for the failure of many Indians to "stay at the job" and their penchant to "quit without notice, for no apparent reason".

This security system may also have the effect in many cases of discouraging the accumulation of capital and the development of successful businesses, as well as dampening any ambition the individual may have for enhancing his income. For the reciprocal of the individual's claims against kinsmen are their claims against him, particularly when he has the ability or good fortune to earn a superior income. Such claims tend to reduce the standard of living of the higher income individual and his family, and the temporarily successful individual whose "family and kinfolk move in on him and eat and drink him out of house and home" has become a widely quoted item in the folklore about Indians.

Generalizations of this kind, again, would have widely differing degrees of applicability among different Indian groups. Among those groups which have depended essentially on fishing and trapping, the levelling and inhibiting effects of the sharing tradition are presumably most pronounced. The mobility required in their way of life, and the necessity to travel light would tend to generate attitudes and motivations rather indifferent or hostile to the accumulation of large or expensive types of capital or consumer goods and services, or to long-term employment in particular jobs in particular locales. On the other hand, in some bands, particularly in those with cultures that accorded prestige to the accumulation of capital in one form or another, the economic position of the more enterprising or promising individual may be enhanced by cooperative effort and pooling of funds by kinsmen and friends.

(d) There are often striking divergences between the evaluation of intrinsic job interest made by people of an advanced urban industrial culture on the one hand, and that made by a non-industrial culture on the other.

In modern urban industrial society, as noted before, many jobs lack intrinsic interest for the worker and thus other compensations are required to attract and hold him. Most White workers in our culture, where they have the choice, seem to prefer jobs that require inside rather than outside work; that are physically easy rather than hard, particularly if they are in the white collar rather than manual category; that are steady rather than intermittent; with big companies rather than with small; and in large cities rather than in isolated communities.

Job preferences among Indians seem to be quite opposite to these on a number of points. Indians show a marked preference for outdoor rather than indoor jobs; for men's work that has elements of excitement and risk, and opportunities for exhibiting prowess in competition with others; and for a variable rather than even pace of work, with period of peak physical effort followed by opportunities for rest and relaxation. Even when engaged in the same industries as Whites, Indians whether by choice or compulsion seem to avoid large cities or towns, and are employed mostly by small rather than large operators.

With most Indians, moreover, job interests and preferences are far less disassociated from other activities and interests than is the case with Whites. An Indian's preference for one type of job with a particular employer or in a particular location and his work habits on the job may be connected with such non-monetary attributes as seasonal layoffs that provide opportunities to engage in ceremonial activities and other social occasions of the band.

(e) One of the most commonly observed differences between producers or workers in non-industrialized as compared with industrialized cultures lies in the rhythms of work. Life has meaning in many Indian communities in terms of a recurring cycle of inter-related economic, social and religious activities and this cycle is geared to the different seasons of the year. Members of the group work intensively and participate strenuously in certain related activities for weeks at a time during one season, and then turn to other types of work for relaxation during the next season. By contrast, in our modern economy, the seasonal cycle has been all but eliminated, except in such fields as sports and fashion. The round of activities, of work and relaxation, eating and resting is geared to the daily and weekly cycle rather than to the seasons. That, perhaps, is the feature of industrial life that many Indians find difficult to accept, regardless of the rewards in money or status, for it deprives life of meaning in terms of their traditions and values.

(f) A strong desire for independent status is felt by many Indians and partially accounts for their extreme concentration in a few primary industries, and militates against their being integrated with the urban industrial economy in any large numbers. For in the primary industries it is still possible for individuals with little or no capital to make an independent living, although this is becoming more and more difficult, owing to increasing mechanization and the growing dominance of large-scale operations, on the one hand, and to depletion of resources and conservation measures on the other.

Self-employment offers a freedom to cease work and participate in other meaningful activities when the occasion demands, rather than be tied down to a rigid schedule which can be ignored by a hired employee only at the price of being dismissed.

Indians may be more uncomfortable working under the authority and supervision of a foreman than are Whites. Whites have been trained and indoctrinated to accept authority in business, industry, education and government, to make compromises and suffer indignities if necessary as a price for earning a livelihood and getting ahead. To Indians the exercise of authority by supervisors on the job may be unacceptable because it is regarded as illegitimate. Indian cultures have structures of status and authority which do not coincide with the division of labour in a complex economy of large-scale operations. Some of the high turnover of Indian workers in such fields as logging and sawmilling may represent sensitiveness to and dissatisfaction with the exercise of power and authority by supervisors to whom, in the Indian view, such prerogatives are not appropriate.

## 2. The System of Administration

The one factor that tends to be singled out more frequently than any other, in laying blame for the economic backwardness and underdevelopment of most Indians in Canada, is the general system of administration under the Indian Affairs Branch.

In discussing this question, two or three important points should be kept in mind from the outset, to qualify most of the generalizations that follow:

First is the fact that most of the generalizations regarding economic status, and the characteristics and behaviour patterns attributed to Indians, as outlined above, are also applied widely to the Metis where these constitute recognizable, distinct groups of any significant size in a community. They, however, are the responsibility of provincial and/or municipal authorities, and do not come under the jurisdiction of the Indian Affairs Branch's system of administration. Therefore the special features of administration that are widely attributed as the generator of special Indian characteristics and behaviour patterns, cannot be held responsible for similar attributes of the Metis.

Secondly, it should be stressed that the special features of the Indian Affairs Branch's philosophy and system of administration, as discussed below, are today becoming a matter of past history. Probably no long established department or branch in the entire federal government has been undergoing such drastic changes in structure and personnel, in philosophy, policies and objectives as the Indian Affairs Branch has been experiencing over the past few years, in an effort to correct past limitations and carry out ambitious new programs on behalf of Canada's Indian population. However, most Indians now of working age were born and raised in reserves under the old system of administration which, in spite of a radically changed Branch philosophy, shows a remarkable tenacity of life in many agencies and in many reserves. The generalizations that follow, therefore, regarding the effects of this system upon attitudes, behaviour patterns and levels of economic performance of the adult Indian population of today are offered as still valid.

As so many critics have pointed out at one time or another, including many on the staff of the Indian Affairs Branch itself, the main emphasis of the Branch's policy in previous decades has been administration, as such, rather than development in the full sense of the term. The Branch has been, from the outset, in the position of "trustee" for Indians and the main objectives of the trusteeship until recently have been those of caretaking and protection. Up to World War II this consisted mainly of protecting property interests, while providing a minimum of subsistence, housing, health and welfare, education, and other services well below White standards. Since World War II the standards have been raised considerably and over the past decade particularly much greater emphasis has been put on education, economic development, and encouragement of Indians generally to achieve greater autonomy, independence, and responsibility for running their own affairs. The actual system as distinct from Branch policy remains, to a large extent, one of paternalism though every effort is now being made to decentralize and democratize it. The Indian Affairs Branch still exerts a degree of authority over Indians, particularly with regard to economic matters, far greater than any other government agency exerts over Whites. This exertion of authority tends to elicit from Indians attitudes of dependency, irresponsibility, apathy, submissiveness, and disguised hostility.

The relationship and the interactions it has tended to generate are seen most clearly at the level of the Agency Superintendent and the bands under his jurisdiction. This official, characteristically overworked and understaffed, is responsible for dispensing a wide variety of benefits and services of vital importance to the physical or material welfare of the Indians under his jurisdiction, and for keeping detailed records and submitting reports about a variety of matters. He must also deal with other Whites who deal with Indians (e.g. priests or ministers, storekeepers, nurses, teachers, officers of the law and other functionaries). Agency Superintendents may differ widely in ability and ideas, but the pressure of their duties forces virtually all of them to function in a primarily administrative rather than development role, and in an authoritarian rather than democratic and educative fashion.

In many of the more isolated, economically backward or under-developed reserves, as Dunning and others have noted, the White minority of functionaries has an unusual status and power, resting on outside authority in the dispensation of services to the majority of dependent residents. They are in positions having a degree of authority which is quite different from any counterparts in White society, and this tends to generate a special set of attitudes and behaviour patterns on their part. Each member of this small White minority has a virtual monopoly in the dispensation of money goods and services on which Indians must depend for their livelihoods and welfare· the superintendent or his assistant in granting relief, housing grants or credits, liaison with other agencies, and the like; the Hudson's Bay Company factor as store manager (and sometimes one or two competitors) in supplying grubstakes or other forms of credit, buying produce and selling food, clothing and other necessities; the nursing station in providing health or medical services, and referring cases to hospital for further treatment; the priest or pastor in administering to things of the spirit and interceding on the Indians' behalf with other authorities (as well as in putting restrictions on certain activities). Indians consequently tend to become structured in their attitudes to Whites in this sort of situation in ways which prevent their successful adjustment to and participation in White society.

The background and conditioning of this environment have tended to structure the relationships of Indians with Whites off the reserve as well, and to create an ambivalent attitude to authority that complicates labour-employer relations and makes it difficult for Indians to adjust successfully to regular wage or salaried employment. On the one hand, attitudes of dependence and passivity have tended in many cases to encourage the unscrupulous White employers (like some of their counterparts in fish and fur-buying, and in storekeeping) to exploit Indians. And on the other, such attitudes inhibit many Indians from verbally expressing their values or grievances to the employer, and actively fighting for their legitimate rights.[1]

Many of the unfavourable behaviour patterns that White employers or fellow workers attribute to Indians, therefore, have arisen in part from the special attitudes and problems of communication generated by the special system of Indian-White relationships and administration under which most Indians have lived. These patterns are marked by apathy and apparent indolence, by high labour turnover (or "quitting for no apparent reason"), and sometimes by conscious or unconscious carelessness or sabotage of equipment, rather than by verbal, overt and organized union demands, grievances procedure, and spontaneous wildcat strikes.

Of course these generalizations do not hold in every case. Modifications have to be allowed for in particular situations. Some Indian bands have shown a high degree of initiative and willingness to assume responsibility, running their reserve communities with a minimum of dependence upon, or interference from, agency superintendents. Other Indian reserves are notoriously difficult to administer because the local minority of Whites are plagued with excessive demands on the part of their Indian clientele, backed up even by intimidation and actual or threatened violence. Again, while Indian workers usually express their job dissatisfactions by simply quitting without notice, occasionally they have engaged in strikes, protest marches and lobbying.

Another by-product of the past has been a certain rigidity in attitudes, as expressed in an inability or unwillingness to use initiative to meet immediately pressing -- and apparently easily soluble -- problems. This shows in the inefficient methods and techniques by which, in many or most communities, people utilize locally available resources for their own domestic purposes, as well as for sale in the market. This point is discussed at greater length below.

The reserve system is also a system of security that has tended in many cases to inhibit Indians from seeking, or keeping, outside wage or salaried employment. On their reserves, Indians can be assured at least of minimum subsistence from public subsidy, supplemented by what fish, game, fuelwood, and other resources they are willing and able to garner for themselves. They are also assured of housing of some sort, education, nursing and, where necessary, medical and hospital treatment, and other essential services. Off the reserve they have had to shift pretty much for themselves in most cases or depend on agencies and officials with which they are unfamiliar.

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[1] As an extreme example of this latter situation, one able and ambitious young Indian became ill from hepatitis and was unable to eat, much less work, properly for several days. His employer accused him of laziness and malingering, and he was fired from his job. He put up no verbal protest and left quietly. His case would not have become known if he had not arrived at the Indian Affairs Branch Office in a nearby town, in a state of serious illness, utter destitution and near starvation.

The dependence of reserve Indians on a few White administrators for aid and prerequisites of various kinds perhaps enhances the tendency for the less fortunate majority to depend on the more fortunate kinsmen -- a tendency perhaps general among people dependent on public welfare. The whole concept of social welfare or social security in the broad sense, is in principle supposed to free the individual family or kinship group from the responsibility of assuming the entire burden of sustaining all of its members who are in need -- the young and dependent, aged and infirm, the sick, injured and unemployed, and so on. Presumably, then, more liberal and comprehensive social welfare or social security programs should reduce the burden of kinship claims on the individual.

In practice, however, in the actual administration of social security or welfare, until very recently, those with good jobs and income were expected to carry their less fortunate relatives, and the latter were denied public assistance. This tended to be the practice in the administration of Indian affairs, as in provincial and municipal welfare. It should be stressed, however, that the welfare policies of the Indian Affairs Branch and most other government agencies have been changed in this regard in recent years. The family is no longer held responsible for the maintenance of dependent relatives, so that the deterrent effects of welfare policy on individual economic incentives and development, as outlined below, should be much less operative in the future.

The results of inconsistencies or anomalies in mutual aid and social assistance policies in previous decades tended to have a more serious effect on Indians than on Whites because a far smaller proportion of the former have managed to become established in the more secure, well-paid types of employment, and a much larger proportion were and are in the low-income, dependent category. The result has been to perpetuate a sort of poverty cycle among Indians, and a wide gap in per capita income between Indians and Whites, even when employed at the same types of jobs and at the same rates of pay.

In the more isolated reserves where fish, game, fur and timber resources are insufficient to meet the needs of a rapidly expanding population, the anomalous situation often exists where the welfare cases (the aged, the sick, the mothers with numerous children) who have no relative earning enough to support them, receive more income in cash or kind than able-bodied male workers can earn from intermittent employment in the traditional resource-based industries, or from unemployment relief. The demoralizing effects of this situation are more than obvious. Cutting off relief to force people to work is obviously no solution. A solution may rather lie in encouraging and making possible the migration of increasing numbers into urban-industrial areas that offer increasing employment opportunities, and, for some, providing new techniques and equipment in resource-based industries that will provide incomes from work above those provided by relief.

But in this context, kin obligations tend to reduce the real income and standard of living of the individual worker and his family below that of his fellow workers, render him socially unacceptable in the industrial, urban community, and undermine or destroy any incentives he may have to stay on the job (with all its unaccustomed drudgery, discipline and monotony) much less to exert extra effort to get ahead.

The burdens of aid to kin and friends seem to underlie a multitude of problems in addition to those of employment and income alone. In some cases alcoholism is induced by the feelings of hopelessness and resignation -- nothing to work for or see ahead -- as well as a means of blunting the inter-personal conflicts and tensions that arise from overcrowding and friction with kin and others.

There is a similar background to the tendency of some Indian women to become slatternly. Some Indian wives and mothers, faced with unlimited child-bearing and unlimited demands from kin for support, on bare subsistence incomes and with inadequate housing and facilities, simply give up. They have nothing to look forward to, to dress for, or to put up an appearance for. (Much of the opposition to employing Indians, or allowing them to reside in the community appears to be based mainly on the slatternly and demoralized appearance, living habits and behaviour patterns of their womenfolk.)

So, likewise, arises the violence that lies so close beneath the surface of the apparent passivity and resignation of Indians. One has only to observe the frequent verbal and physical brawls among men, and between men and women, in some towns, and the disproportionate number of arrests that Indians account for, even with permissive policy by law enforcement authorities.

Such generalizations are most applicable to the more geographically isolated Indian bands, particularly those in the northern belt that specialize in fishing and trapping and which have become increasingly dependent upon relief and various special services from outside. They would also apply to a special degree, perhaps, to Indian bands in rural areas lacking in opportunities for industrial employment, and which thus depend upon Branch subsidies and technical aid to carry on farming or ranching activities, supplemented by relief. The limitations of the reserve system, however, still seem to apply to a considerable degree to even the most urbanized bands, inhibiting them from participating fully in the urban industrial economy.

## 3. Contact and Relationships with White Society

The character, duration, and extent of contacts and relationships of Indians with White society varies widely, of course, as between the geographically isolated band whose members see only a handful of White functionaries the year round, on the one extreme, to the highly urbanized band whose reserve has become hardly more than an enclave or suburb of a large metropolitan community, on the other. As will be brought out in more detail later, the differences in relationships between Indians and Whites appear to be one of the most important variables determining differential rates of economic development among Indian communities. So here, again, sweeping generalizations can be misleading and dangerous. In the aggregate, however, it seems safe to conclude that the nature of the relationships, in the majority of cases, has been such as to reinforce the traits that are so inimical to the economic development of Indians.

Contact with White society, with a much richer diversity of goods and services than the tribal cultures could provide, did of course generate new demands among Indians -- new standards of living or consumer aspirations above the customary level -- that provided varying degrees of motivation to participate as workers and producers in the White-controlled economy.

From their first contact with Whites over a period of centuries, however, the pattern of participation has tended to be one of weakness in the bargaining power of Indians, and growing dependence on Whites. This developed first in trapping and fur trading where (except for brief periods of intense competition such as between the Hudson's Bay and North West Companies) the Indian trapper and his family became dependent on the fur trader as a local monopolist in buying the furs and providing equipment and other supplies (and, most important, credit or furnish to carry the family over the slack season). Frequently the relationship became one almost of bondage: the buyer would extend credit in order to obligate the Indian to produce and sell his furs exclusively to the creditor, while the debtor was induced to remain in debt to insure that he would always have a ready buyer of his produce. Suspicion among Indians of exploitation and cheating on the part of the Whites (well-founded in all too many cases) was and still is endemic in the relationship, in so far as the high costs and risks facing the fur buyer required him to pay the Indians far less than the final market price for their furs, and charge a high markup on goods sold to them.

Much the same sort of pattern of dependency has been characteristic of other primary, resource-based industries in which Indians have tended to concentrate: contract logging, pulp-wood and pole-cutting; clearing and brush cutting; fishing and fish canning and processing.

A long history of and experience with this type of relationship, coupled with the paternalism of the reserve system, has tended to structure the attitudes and relationships of Indians working for employers in other industries. This is even more likely because Indians, through discrimination and other disadvantages, are generally more limited in their choice of job opportunities and therefore in a weaker position of bargaining power than are other workers.

The other main element in White society with which Indians come into most frequent contact because of the occupations in which they tend to specialize, and the low and uncertain earnings they receive, are the generally low-income casual workers who depend on welfare or relief for a large part of their livelihoods.

As a number of studies have brought out, casual, low-income workers tend to develop distinct cultures with their own systems of ethics, scales of values, motivations and norms of behaviour as a process of adjustment to the social and economic environment in which they have to work and live. This type of subculture, or culture of poverty, is sharply at variance on many points with the more acceptable ways of life of steadily employed and better paid middle-class and working class groups.

The motivations and behaviour patterns of casual or underprivileged workers in urban-industrial society shed some light on the patterns of Indian work in modern industry. Superficially, indeed, the underprivileged White worker's sub-culture resembles life in many Indian communities more than it does that of the White middle or upper working class. The various barriers that prevent Indians from participating more fully and effectively in the economy tend to confine them to the ranks of the casual worker. The hardships and insecurities of the casual worker's life, the compensations which it provides, and the behaviour patterns it forms, all serve to reinforce the economic values of the reserve.

## Conclusion and Summary

In seeking to explain the generally depressed position of Indians in Canada the main emphasis has been placed on social and cultural factors influencing motivations, attitudes and behaviour patterns. As brought out more fully in a later chapter, these appear to have been more important than objective physical and technical factors such as location, accessibility to resources and availability of capital.

Attention has been focussed on a few socio-cultural forces that have moulded the Indians; the reserve cultures, the system of administration, and the major points of contact with White society. These have been pictured as self-reinforcing, in ways that inhibit the Indians from adjusting to and participating in the larger economy effectively.

It would be misleading and erroneous, however, to leave the impression that those sets of influences have been at all times consistent and unilateral in character. The Indian Affairs Branch, for instance, on numerous occasions has supplied large amounts of capital and technical aid to various Indian bands and individuals in an effort to improve their economic status and enable them to become more independent. Its efforts have frequently been frustrated, however, by Indian apathy, suspicion and non-cooperation, and by internal conflicts within the Branch which such new experiments have tended to generate. On the other hand, as the statistics on employment and income in Tables A and B above indicate, a substantial fraction of almost one-quarter of all Indians in the sample surveyed have left their reserves while still retaining their band membership, while another, possibly larger number and proportion have left permanently and fitted into White society on various levels. Among band members generally, including some bands in which the vast majority continue to reside on the reserve, a significant and growing minority have come to terms effectively with White society and participate successfully in the urban industrial economy as steadily or regularly employed skilled and semi-skilled wage earners, clerical workers, self-employed proprietors and salaried professional personnel.

## CHAPTER V

## COMPARATIVE ECONOMIC DEVELOPMENT AMONG VARIOUS INDIAN BANDS IN CANADA

### Introduction

The broad survey in the preceding chapter of a representative sample of Indian bands across Canada brings out sharply the generally depressed economic status and serious under-employment and dependency among Indians in this country. It also brings out the fact, however, that a minority have achieved levels of income and occupational status above those enjoyed by the majority of Whites. Even within the confines of a broad survey of averages, it is evident that there are wide inequalities in wealth and income among individual Indians.

The explanations offered for the generally depressed economic position of Indians in Canada apply to all bands to some extent, in so far as they have all gone through somewhat similar experiences under an unique system of administration, and in so far as attitudes and relationships between Whites and Indians fall into certain characteristic patterns wherever the two groups are in continuous contact.

The intensity and impact of such forces vary widely, however, among communities in different areas. While all communities, as pointed out, share some common characteristics and experiences, at the same time it is true to say that each Indian band is an unique entity that differs more or less sharply from other Indian bands in several or many respects: size of population; resources; ownership of capital; types of work, average size of income; rates of unemployment and dependence on relief; religion; family size; education and skill; proximity to White communities of various sizes and types; quality of leadership; attitudes of Whites and Indians towards each other, and patterns of social interaction between them; administrative policy with regard to such matters as education, loans or grants of capital, and economic development generally; and so on.

A comparative cross-country survey of communities in this regard reaffirms the old principle that broad averages hide significant differences. This is apparent with regard to their comparative economic development. If, for reasons spelled out in Chapter II, per capita level of real income from gainful employment is accepted as the main index of economic development, then the differences between band communities are significantly wide. For, in the representative sample of thirty-five surveyed in the preceding chapter, the most highly developed band, Skidegate, in the Queen Charlotte Islands of Northern British Columbia, had a per capita income from gainful employment of about $1,252, or more than twenty times that of Piapot, Saskatchewan, the least developed in the sample.

There are similar, even wider, extremes with regard to other indices of economic development, or lack of it. Dependence on welfare for varying periods during 1963 ranged from 100 per cent of all households in such bands as James Smith or Peguis and from $192 per capita in Shubenecadie, to nothing, on both counts, in Tyendinaga. Similarly, in the Sheshaht Band, 85 per cent of the employable males between the ages of sixteen and sixty-four had eleven to twelve months' employment during the year, while in the James Smith Band more than one-half the males were employed for less than two months, and only 5 per cent worked eleven to twelve months in the same period.

There has been, as noted earlier, a vast body of literature since World War II dealing with the question of comparative levels among developing nations and peoples. Numerous hypotheses have been formulated, tested and applied (in the form of capital or technical aid programs, for instance). Some of these hypotheses appear to have been disproved in some cases by failures at the operational level, while others appear to have been validated (to the extent that this is possible through follow-up research and concrete achievement in particular cases).

This research project is based on the assumption that native Indians in Canada -- while representing a special case differing in some important respects from that of developing countries in Asia, Africa or Latin America -- do have some features in common with these, and do offer a special opportunity (as something of a control group or laboratory sample) for testing the validity of various hypotheses that have been formulated at one time or another in attempting to explain the main variables that operate to encourage, or discourage, economic development. A comparative analysis of bands in the sample offers an unique opportunity for testing various beliefs and hypotheses. In terms of practical results, it should be capable of providing guidelines for achieving more effective developmental programs in the future.

The main hypotheses to be examined and tested where data are available and statistically measurable are outlined below. The statistical and other factual data drawn from the Resources Questionnaire of 1964-65 supplemented by other special reports and research studies provide the main sources. Somewhat arbitrarily perhaps, but for convenience in analysis, the main hypotheses to be examined are grouped under three broad headings, as follows:

Economic Factors Affecting Development

1. Ownership of, or access to, resources
2. Ownership of, or access to, capital
3. Social capital or infrastructure
4. Leavening effect of a professional and entrepreneurial middle class
5. Occupations, earnings and continuity of employment
6. Rates of population growth.

Socio-Economic Factors (Chapter VI)

1. Educational levels and attainments
2. Demonstration effect and proximity to urban centres
3. Mobility
4. Dependence on welfare.

Socio-Cultural Factors (Chapter VII)

1. Religious affiliation
2. Participation in Indian ceremonial activities or revivals
3. Kinship ties and obligations
4. Quality of leadership
5. Organized activity within the band
6. Participation in outside activities and organizations
7. Social and personal disorganization
8. Administrative policy.

The main purpose of this exercise is to measure and examine the degree to which the differential levels of economic development achieved by the members of the band communities are correlated to the economic, social and cultural variables listed above.

A couple of observations should be made at the outset. Some hypotheses based on certain variables in the above lie in the realm of popular myths or beliefs that have been attacked and discredited by social scientists in other contexts. There still seems some value in testing them as applied to Indians, however, if only to invalidate them further where they continue to be held.

Again, some hypotheses, on the basis of a number of variable factors listed, would obviously apply at the extremes. It would seem obvious, for instance, that the six or eight highest income, most economically developed bands in the sample would generally (though not in each and every case) be in closer physical proximity to industries and jobs, have larger accumulations of capital, ownership of or access to more resources, higher levels of education, and be less dependent on welfare than would be the case with the six or eight lowest income, least developed bands, particularly where these latter are geographically isolated communities whose populations have outgrown the locally available resources on which they have depended for their livelihoods. The weight of the extreme cases, may, in a straight statistical test, show a fairly high degree of correlation, but it is questionable how much value this has.

The problems of the geographically isolated and depressed bands concern particularly those in the broad northern wooded belt of the country, which have depended upon fishing and trapping. They also include certain relatively isolated rural bands in the Prairie region, and in cutover areas of the Maritimes. All of these face the problem of inadequate resources available locally, coupled with distance from potentially alternative job opportunities. In the aggregate, these comprise a minority of the Indians in Canada, but a rapidly growing minority. They constitute a special problem in Indian Affairs, of a kind that calls for special policies and programs on their behalf.

More interesting and important in some respects are comparisons among the majority of Indian band communities which are broadly classed as in the middle position or transitional, and comparisons between these and the minority of relatively developed bands. For among these, several widely accepted hypotheses break down, and numerous variable factors often thought to be crucial for economic development fail to show any significant correlation with levels of per capita real income. Numerous Indian band that are lacking in some types of assets generally deemed favourable to economic development have been compensated by others.

## Economic Factors Affecting Development

The most over-simplified hypotheses of poverty and under-development among various nations and peoples have been those formulated on the basis of pure economic analysis. Policies based on such analyses have frequently proven to be expensive failures, because of failing to take account of social or cultural variables that may be crucial to the economic development of a people.

Basic to pure economic analysis is one assumption applied more or less universally to all peoples and cultures, namely, scarcity in relation to wants. People, it is assumed, naturally desire to have more goods and services than are currently available to them regardless of their ethnic or cultural backgrounds, their current standards of living or per capita real income levels. The only essential limitations to their economic growth, their getting more, are the means available; i.e. the availability of resources, capital, techniques and job opportunities, relative to population growth.

The basic problem facing developing peoples is seen as a self-perpetuating poverty cycle. Due to a shortage of resources relative to population, or a shortage of capital, or poor techniques that prevent them utilizing their resources effectively, they live on inadequate subsistence incomes. Because of low per capita incomes they are forced to consume most or all that they produce or earn. This renders them unable to save and accumulate the capital that would be required to increase their productivity and raise their levels of income. Advanced, high income peoples or nations by contrast, enjoy a reverse and built-in trend of dynamic expansion, whereby high incomes make possible large savings, and capital formation and training in new technologies to assure further growth in per capita income in the future.

The transition from one stage to the other, therefore, would require first the provision of capital, technical aid and advice by loan or gift to increase productivity without having to reduce the already inadequate levels of consumption and social or welfare services; and second, with higher incomes derived from the use of capital and technical aid, larger saving and capital accumulation to take place to the point that economic development and rising per capita income can become a self-sustaining process of increased saving, capital investment, technological know-how, output and income.

## 1. Ownership or Availability of Resources

The most widely accepted cause of the poverty that afflicts the majority of nations today is that of population outrunning available resources. On the other hand, some of the highest income, most economically developed nations are notably poor in resources relative to population (e.g. Great Britain, Japan, Holland and Switzerland), while some of the lowest per capita income countries have large and diverse resources (e.g. Indonesia and the Congo). Obviously, then, the economic development of a nation does not depend primarily on the ownership or availability of resources as such, but rather on such factors as the possession of capital and techniques, and a social and political structure that enables a people to utilize resources effectively, or, where resources are unavilable, to utilize the talents of its human resources to process and produce other goods and services in exchange.

Band communities in various important respects are hardly comparable with nations because of their much smaller size, less diversified skills, and greater dependence on outside markets. As small enclaves in a highly developed economy, they have potentially unlimited access to capital and technical knowledge. On the other hand, their restricted links to White society limits their acquisition of capital, technical knowledge and know-how and leaves them far more dependent on resource-based industries for their livelihoods, as the survey in the preceding chapter brings out. One would expect, therefore, that ownership or availability of resources would play a major role in determining the relative degree of economic development and per capita income positions achieved by most band communities. Mainly on this assumption, the Indian Affairs Branch, in its economic development policies, has tended in the past to lay major stress in planning and personnel and in providing capital and technical aid, upon local resource development projects for Indian band communities. This emphasis may also have been, and perhaps still is, encouraged by considerations of administrative convenience. The structure of the Indian Affairs Branch has been based essentially on the reserve as the basic administrative unit, and developmental or other activities beyond the reserve area involve complicated relationships with provincial and local governmental agencies, as well as a variety of private interests. For reasons that will be spelled out more fully later such a policy appears to have been misguided on several counts if aimed solely at economic goals.

It is difficult, at best, to devise any adequately measurable index of resource ownership or availability to determine to what extent local resources do account for economic development, and for differences in per capita real income among bands. First, it is difficult to get accurate estimates of the potential employment and income-producing capacity of any given type, or area, of resources. Tracts of improved crop land or unimproved range land vary widely in fertility and yield, and in distance from markets; woodlands and timber stands likewise differ in quality of timber and number of board feet per acre; similarly, waterfront acreage on rivers, lakes and seashore in their attractiveness as potential tourist sites; and, of major importance to many bands, the potentialities of reserve land for business or industrial sites if adequate transportation, electrical power, water and other facilities were provided (as noted before, the Indian Affairs Branch's Resources Questionnaire was not concerned with this latter type of resource).

Certain general observations can be made safely, however.

### Reserve Resources

First, very few Indian bands derive any large part of their livelihoods in gainful employment from the direct utilization of resources within band-owned reserves. There are several reasons for this:

(1) Most reserves originally were laid out and designed mainly for residential purposes, on the temporary meeting-grounds or campsites of mobile bands that derived their livelihoods from resources over a fairly wide area beyond reserve boundaries. This is particularly true of the numerous mobile bands across the northern wooded belt, whose members depended on hunting and fishing; it is true of the numerous more sedentary bands along the coastline of British Columbia for similar reasons.

(2) Most bands that were originally assigned relatively large reserves with sizable tracts of agricultural land or timber stands, have since grown in population beyond the level that the resources could sustain, even if the resources were utilized with maximum efficiency.

(3) Those bands which do have more than enough resources in their reserves (in agricultural land, timber, oil or minerals, and tourist business or industrial sites) sell or lease the major part of these to outside interests rather than develop them directly. The proceeds usually go into band funds or band revenues, which contribute towards welfare and other services of the community, and part of which are sometimes distributed as cash dividends to the band members.

For these reasons, there appears to be little, if any, correlation between resource ownership and economic development of Indian bands, as measured by per capita real income from gainful employment. Some of the most economically depressed bands in the sample under study have relatively large amounts of land suitable for raising crops or livestock. Notable in this category are the Piapot and the James Smith Bands. As may be seen from Table III below (comprising sixteen bands in the sample of thirty-five that are deemed to have some potentialities for internal development in agriculture and forestry) the James Smith Band has, on a per capita basis, 28 acres of improved crop land, 4 acres of range land and 8.75 acres of woodland, while Piapot has 10.45, 15.4 and 3.24 acres in these respective categories. These holdings are considerably above the average for the bands listed in the Table, particularly in the more productive category, that of improved crop land. Yet, in a ranking of thirty-five bands according to per capita income levels, James Smith comes thirty-first and Piapot thirty-fifth. The reason for this is, mainly, that these land holdings are too small to sustain the population on the basis of the large-scale farming operations required for optimum efficiency, while alternative employment opportunities are lacking in these areas of Saskatchewan.

Even those few bands which have more than enough resources to sustain the population at a reasonably high level of employment and income are far from being the most economically developed. The outstanding example is the Sarcee Band adjoining the City of Calgary. This band, with a population of 368, has on its reserve no less than 11,631 acres or 31.6 acres per capita of improved agricultural land, and 55,361 acres of unimproved land. Of these latter, 14,014 acres or about thirty-eight per capita are in rangeland and 25,887 acres are in woodland, of which 15 per cent or about 11-1/4 acres per capita are being logged commercially. It is estimated that potential cropland in the reserve amounts to 18,000 acres, or about fifty per capita, and potential hay and grazing land almost 22,000 acres or fifty-nine per capita. In sum, then, land actually or potentially productive in terms of agriculture and forestry amounts to some 300 acres per capita or 1,475 acres per household. Added to these assets are revenues from oil leases that amount to more than $100,000 per annum and that have built up a band fund of more than one million dollars.

Yet with these assets, the Sarcee Band can be considered, at best, as only moderately developed, or relatively under-developed. In terms of per capita real income from gainful employment, it ranks seventeenth out of the thirty-five bands in the sample.

In contrast to such examples as these, several of the most economically developed, highest income bands have no or virtually no, workable or marketable resources within their reserve boundaries. Notable examples are Lorette, Skidegate and Sheshaht. In a couple of other high income bands, notably

## TABLE III

## AGRICULTURAL AND WOODED LAND PER CAPITA

## SIXTEEN SELECTED BANDS

| Band | Improved Crop Land | Unimproved Land | |
|---|---|---|---|
| | (Acres Per Capita) | Range | Woodland |
| | | (Acres Per Capita) | |
| Walpole Island | 6.24 | - | 1.5 |
| Tyendinaga | 2.96 | .87 | .64 |
| Six Nations | 1.34 | .28 | 2.35 |
| Kamloops | 1.67 | 71.87 | 28.67 |
| Williams Lake | .51 | 7.72 | 5.67 |
| River Desert | 1.13 | .45 | 45.35 |
| St. Mary's | 3.27 | 90.57 | 8.07 |
| Pointe Bleue | .59 | - | - |
| Oak River | 6.1 | 2.12 | - |
| Cold Lake | 2.1 | 14.2 | 24.0 |
| The Pas | 1.24 | 2.33 | 7.77 |
| James Smith | 28.0 | 4.0 | 8.75 |
| Peguis | .4 | 13.9 | 24.4 |
| Piapot | 10.45 | 15.4 | 3.24 |
| Sarcee | 31.6 | 38.0 | 70.0 |
| Sampson | 9.6 | 6.0 | 5.4 |

Caughnawaga and Squamish, the main resource (apart from the human factor) is land leased for business or industrial purposes.

Even in those relatively well-developed, high-income bands that do have sizable natural resources within their reserves (notably Walpole Island, Tyendinaga and Six Nations, all in Ontario) the resources account for only a minor part of the members' incomes from gainful employment, and the average earnings of those employed directly in utilizing the resources are considerably below those engaged in other types of employment. This is made evident in Table IV below, which includes the same list of bands as in the preceding table. In the highest income bands, it may readily be seen, farm proprietors comprise only a small fraction of the labour force, and their earnings are considerably below the general average. The same is true of most of the other bands in the sample, including the land-rich Sarcee described above. Of the five bands in which farm proprietors did receive higher average earnings than the total labour force, four, namely Oak River and Peguis, Manitoba and James Smith and Piapot, Saskatchewan, are, as noted before, in predominantly agricultural areas lacking in alternative opportunities for employment. And, as noted, they are among the lowest-income, most depressed and dependent Indian band communities in the country.

One obvious explanation for the relatively small proportion of farmers in the labour force, and their relatively low average earnings in those bands having more or less substantial agricultural potentialities lies in the disinterest of Indians in farming, and their generally small-scale, inefficient methods. Related to this is the fact that in most cases Indian bands tend to lease out more land than they cultivate themselves. Of the total improved cropland held by the sixteen bands listed in Tables III and IV, only 34.7 per cent or hardly more than one-third is farmed by band members themselves, while almost two-thirds is leased to non-Indians. In the case of the Sarcee Band in particular, 82 per cent of the cropland, and 90 per cent of the woodland (15 per cent logged commercially and the remainder used for grazing) is leased to non-Indians.

The Resources Questionnaire asked superintendents to indicate "reasons for the lack of development of resources available to Indians". With regard to agricultural resources, in the representative sample of forty bands for which the data are available the answers given were as follows, ranked by frequency:

| Reasons | Number |
|---|---|
| Attitudes of (reserve) residents | (18) |
| Attractiveness of wage employment | (16) |
| Educational level of Indians | (15) |
| Lack of vocational training | (12) |
| Lack of funds | (12) |
| Lack of guidance | ( 7) |
| Land tenure system | ( 7) |
| Other | |
| Trust fund and oil revenue distributions | ( 2) |
| Lack of initiative | ( 1) |
| Mismanagement of earnings | ( 1) |

Resources Available Outside the Reserves

With regard to natural resources, those outside of reserves and to a varying degree accessible or available to band members are far more important than those within their reserves. In the nature of the case they are also less measurable in quantity, quality and economic impact in different Indian band communities.

Here the picture is fully as variable as resource ownership but, again, there appears to be little, if any, consistent correlation between resource availability and per capita real income from gainful employment among the Indian bands under study. At the one extreme are the most economically depressed bands as noted before: those in the northern wooded belt who have depended hitherto on fishing and trapping, but whose populations have outrun the resources available, or whose resources have become depleted. Outstanding examples are Oxford House and Shamattawa in Northern Manitoba, and Big Cove in New Brunswick. Equally depressed and dependent, however, have been such bands as Hay Lake in Northwestern Alberta which has, however, just begun to receive important revenues from oil, and full employment has just been achieved. While among members of this latter and many other northern bands incomes from hunting, fishing and trapping have sharply declined, their community is within easy access of potentially fertile and productive farmland and timber stands which, for various reasons, they have left virtually untouched. (This was the case until recently of the Hay Lake Band in Northwestern Alberta, for instance. See special report by B. Baich, Indian Affairs Branch Community Development Officer for Northern Alberta.)

At the other extreme, among the highest-income, most economically developed bands are some located within access of resources which they specialize in exploiting, whether as wage-earning employees or as self-employed proprietors. Outstanding among these are three Indian bands in British Columbia; Nimpkish, whose members specialize in fishing supplemented by logging; Skidegate, the majority of whose members have shifted from fishing to logging; and Sheshaht, specializing in logging. On the other hand, a number of bands in British Columbia appear to be equally well located as are these three, with regard to accessibility to income and employment-producing resources, yet their per capita incomes are far lower.

One conclusion seems obvious from all this. The levels of economic development and per capita incomes achieved by Indian bands are determined, not so much by their ownership of or accessibility to resources, as by the band members' attributes of skill, technique, know-how and motivation in exploiting whatever resources or opportunities are available in the labour market. This seems borne out in Table VI below, in which the agency superintendents attribute reasons for the failure of Indians in forty representative bands to develop various types of resources available to them. The most frequent reasons, as noted, are (1) the educational levels of Indians and (2) their attitudes.

Finally, to repeat, among the highest income and most highly developed Indian bands are some that own or have access to virtually no natural resources

## TABLE IV

## COMPARISON OF AVERAGE ANNUAL INCOMES OF FARM PROPRIETORS AND TOTAL LABOUR FORCE IN SIXTEEN SELECTED BANDS

| Band | Population | Per Capita Income from Gainful Employment | Farm Proprietors* Number | Farm Proprietors* Average Annual Earnings | All Workers Number | All Workers Average Annual Earnings |
|---|---|---|---|---|---|---|
| Walpole Is. | 1422 | $715 | 25 | $2750 | 240 | $2961 |
| Tyendinaga | 2033 | 516 | 34 | 1250 | 150 | 2500 |
| Six Nations | 7726 | 350 | 39 | 1760 | 1765 | 1983 |
| Kamloops | 314 | 314 | 8 | 1512 | 46 | 2037 |
| Sarcee | 368 | 302 | 34 | 1331 | 82 | 1354 |
| Williams Lake | 198 | 291 | 4 | 2600 | 2000 | 1570 |
| River Desert | 878 | 250 | 25 | 150 | 1000 | 1836 |
| St. Mary's | 175 | 249 | 3 | 750 | 25 | 1300 |
| Pointe Bleue | 1376 | 222 | 2 | 340 | 145 | 1586 |
| Oak River | 706 | 176 | 31 | 2526 | 158 | 770 |
| Cold Lake | 703 | 165 | 18 | 826 | 22 | 1545 |
| The Pas | 839 | 140 | 4 | 450 | 83 | 1283 |
| James Smith | 800 | 126 | 12 | 1517 | 65 | 1140 |
| Peguis | 1800 | 99 | 27 | 1800 | 192 | 480 |
| Piapot | 506 | 55 | 35 | 1103 | 76 | 318 |
| Sampson | 1431 |  | 136 | 445 | 215 | 530 |

* Average annual earnings of farm proprietors in this table include an allowance of $50 monthly for the months employed in farming, as an arbitrary estimate of value of home consumption for the households involved. In many cases, perhaps the majority, this may lead to an over-estimate of the real incomes of Indian farm proprietors.

suitable for primary production -- notably, Caughnawaga and Lorette. Their main resources are human ones of the skills, techniques and motivation needed to sell their labour effectively in the market. The only non-human resource that they have is land that is actually or potentially employment and revenue-producing for business or industrial purposes (and Lorette, with a total area of fifty-seven acres, of which only one is used for industrial purposes, has little even of that). Possession of such industrial or business land in itself does not necessarily make a major contribution to the economic development of an Indian community. Presumably it may do so in three main ways:

(a) It may stimulate some band members to undertake business enterprises or undertake new kinds of work;

(b) An influx of non-Indian business firms may provide a demonstration effect that influences consumer aspirations and work habits favourably among the residents; or

(c) As in Kamloops, for instance, land leases to non-Indian business firms can be used as a lever for providing new jobs for residents.

Considering the increasingly important role that business and industrial leases are playing in the economics of numerous Indian band communities, it might well indeed have been included in the item in the Resources Questionnaire on which the data in Table VI below are based.

### 2. Ownership or Availability of Capital

As outlined earlier, shortages or unavailability of capital are frequently offered as an explanation for the economic under-development of nations

## TABLE VI

## ATTRIBUTED REASONS FOR LACK OF DEVELOPMENT OF RESOURCES AVAILABLE TO INDIANS

| | Agriculture | Forestry | Fishing | Trapping | Tourism | Total |
|---|---|---|---|---|---|---|
| 1. Educational level of Indians | 15 | 8 | 6 | 6 | 16 | 52 |
| 2. Lack of vocational training | 12 | 11 | 6 | 1 | 12 | 42 |
| 3. Lack of guidance | 7 | 10 | 7 | 5 | 12 | 42 |
| 4. Attractiveness of wage employment | 16 | 4 | 8 | 11 | 2 | 41 |
| 5. Land tenure system | 7 | - | - | - | 3 | 10 |
| 6. Lack of funds | 12 | 8 | 8 | 4 | 10 | 42 |
| 7. Attitude of residents | 18 | 11 | 5 | 12 | 5 | 51 |
| 8. Other | | | | | | |
| a. Distribution of oil cheques and band revenues | 2 | 1 | 1 | 1 | 3 | 8 |
| b. Lack of initiative | 1 | | | | | |
| c. Mismanagement of earnings | 1 | 1 | 1 | | | 3 |

or regions. Low levels of income prevent the accumulation of capital, and lack of capital prevents the developing of resources or the exploiting of market opportunities to raise incomes.

Among Indian bands of widely varying income levels, there does not appear to be any more consistent relationship between ownership or availability of capital and level of economic development, than there is with ownership of or accessibility to resources. Indeed, there is a fairly close functional relationship between capital and resources which are, in a sense, interchangeable factors of production. By and large, the bands which own the largest value of resources, per capita, likewise have the largest amount of capital, per capita, acquired through the sale or lease of resources to outside interests. Similarly, for reasons discussed more fully later, those bands whose members depend for their livelihoods primarily upon the exploitation of natural resources within or accessible to their reserves tend to accumulate more revenue-producing capital than those which specialize in wage or salaried employment.

In the broad sense, looking at the extreme cases, there is some relationship between ownership, control or availability of capital and degree or level of economic development -- as there is with control over or accessibility to resources, as described above. Certainly, the poorest and least developed Indian bands are those which have no band funds; whose individual members are unable to save, accumulate and invest capital profitably; and whose qualifications and ability to borrow capital from outside sources are most limited. At the other extreme are those bands which have large band funds and revenues and, because of their favourable position with regard to wealth and income potentials, are in a favourable position to raise capital from outside sources for specific projects.

Between these extremes, however, as the figures below bring out, there appears to be at most a very limited correlation between ownership, control, or availability of capital, and level of economic development achieved (as measured by average per capita real income derived from gainful employment).

The main revenue-producing capital owned by, or available to Indians for investment in revenue-producing undertakings, may be listed as follows:

(a) Band funds
(b) Band revenues
(c) Band-owned equipment
(d) Individual savings and real capital
(e) Capital aid or grants from the Indian Affairs Branch
(f) Repayable loans, from the Indian Affairs Branch
(g) Repayable loans or credit from other outside agencies (banks, finance companies, equipment dealers or suppliers, etc.)

The main questions, or hypotheses that call for testing and verification (or otherwise) from the evidence at hand are:

(a) Do Indian bands whose members enjoy a relatively high per capita income tend to save, accumulate and invest larger amounts of capital than do low income bands? If such is the case, to what extent have these higher income bands actually invested their capital in ways that contribute to their further economic development and higher income?

(b) Similar questions could be applied to Indian bands which have large band funds and revenues, due to the good fortune of owning or controlling sizable amounts of valuable collateral for sale or lease.

(c) What evidence, if any, is there to indicate that the availability of capital from the Indian Affairs Branch (in the form of capital aid; i.e. outright grants, or repayable loans) has contributed directly to economic advancement and higher per capita income?

(d) What special difficulties, if any, do Indians face in raising capital from other sources, and to what extent have these impeded their economic development?

Fortunately, in attempting to test such hypotheses, the Resources Questionnaire and other sources provide much fuller and more accurate data concerning capital than is the case for resources. And most of such data are amenable to quantifying and testing statistically, as shown in Table VII below. This tabulates, on a per capita basis, band funds, band revenues, and value of revenue-producing equipment and livestock that are band-owned, individually-owned and Branch owned, respectively, in each of 35 Indian bands selected from the representative sample discussed earlier, ranked in order from highest to lowest income. From these figures, coefficients of correlation[1] have been derived, to determine the degree of relationship, if any, between each of these sources of capital and their totals with levels of per capita income from gainful employment. As may be seen at a glance from the table, the correlations are slight and, in the case of Branch-owned equipment, inverse.

## (a) Band Funds

The coefficient of correlation between band funds per capita and economic development (as measured by per capita real income from gainful employment) is only .075, which is so small as to amount to a random distribution. The extremes stand out in inverse correlation. As with ownership of resources, the Sarcee Band in Alberta has by far the largest funds per capita, at $2,191. In terms of per capita income from employment, however, the former is 14th out of the 35 bands. At the other extreme, Sheshaht Band in B.C. which ranks third in per capita income, has negligible band funds. Or, as another measure, 85.4 per cent of workers in Sarcee earned less than $2,000 per annum in 1964 as compared to 0 per cent in Sheshaht whose funds are minimal. Similar patterns are apparent, on a less extreme scale, among numerous other bands in the upper and lower ranges of the income scale.

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[1] The coefficient of correlation measures the degree to which two sets of data (a dependent variable and an independent variable -- in this case, per capita real incomes of the various bands in the sample) move together in a direct, straight line relationship.

## TABLE VII

## POTENTIALLY REVENUE-PRODUCING CAPITAL OWNED BY OR AVAILABLE TO INDIANS

(Amounts per capita in each of thirty-five bands)

| Band | Income | Band Funds | Band Revenues Per Annum | Buildings, Equipment & Livestock Estimated Value | | | Total |
|---|---|---|---|---|---|---|---|
| | | | | Band-owned | Ind. Indians | I.A.B.-owned | |
| Skidegate | $1252 | $104.3 | $ 77.00 | $ 35.4 | $442 | $ 0 | $ 658.7 |
| Caughnawaga | 793 | 58.13 | 5.00 | 0 | 82.00 | 0 | 145.0 |
| Walpole Island | 715 | 298.70 | 141.00 | 100.0 | 46.3 | 0 | 486 |
| Sheshaht, V.I. | 664 | nil | 0 | 47.8 | 14.8 | 0 | 62 |
| Lorette | 630 | 1 | 0 | 0 | 20.9 | 0 | 22 |
| Squamish | 630 | 258.6 | 183 | 0 | 24.0 | 0 | 464 |
| Tyendinaga | 516 | 21.0 | 11 | 1 | 38.7 | 8 | 80 |
| Curve Lake | 350 | 124 | 18 | 0 | 43.1 | 0 | 185 |
| Six Nations | 350 | 100 | 13 | 2 | 70.4 | 0 | 185 |
| Mistassini | 341 | 0 | 0 | 9 | 268.0 | 40 | 317 |
| Dog Rib Rae | 332 | 0 | 0 | 0 | 107.4 | 0 | 107.4 |
| Port Simpson | 325 | 46.5 | 26 | 8 | 80.0 | 0 | 80.0 |
| Kamloops | 314 | 739.15 | 266 | 42 | 138.3 | 6 | 1191 |
| Sarcee | 302 | 2190.10 | 625 | 116 | 462.8 | 0 | 3395 |
| Fort William | 298 | 183.9 | 39 | 0 | 11.3 | 0 | 234 |
| Williams Lake | 291 | 107.0 | 73 | 74 | 181.0 | 22 | 457 |
| Moose Factory | 284 | 1 | 0 | 0 | 70.3 | 74 | 145 |
| River Desert | 250 | 126 | 18 | 1 | 90.0 | 0 | 235 |
| Attawapiskat | 247 | 0 | 0 | 0 | 66.4 | 0 | 66 |
| St. Mary's | 249 | 203.9 | 40 | 0 | 35.1 | 0 | 279 |
| Pointe Bleue | 222 | 0 | 0 | 2 | 103.2 | 3 | 108 |
| Tobique | 215 | 87.8 | 11 | 0 | 6.7 | 0 | 106 |
| Fond du Lac | 200 | 0 | 0 | 0 | 62.1 | 11 | 73 |
| Pikangikum | 197 | 2.7 | 6 | 0 | 66.6 | 15 | 101 |
| Shubanacadie | 180 | 16.5 | 42 | 0 | 65.2 | 4 | 127 |

TABLE VII (continued)

| Band | Income | Band Funds | Band Revenues Per Annum | Buildings, Equipment & Livestock Estimated Value | | | Total |
|---|---|---|---|---|---|---|---|
| | | | | Band-owned | Ind. Indians | I.A.B.-owned | |
| Oak River | $ 176 | $ 49.0 | $ 17 | $ 0 | $187.5 | $ 9 | $ 262 |
| Rupert House | 174 | 0 | 0 | 16 | 51 | 0 | 67 |
| Cold Lake | 165 | 12.6 | 6 | 6 | 123.1 | 24 | 172 |
| Fort St. John | 161 | 354.6 | 45 | 32.2 | 30.8 | 25 | 488 |
| Deer Lake | 156 | 0 | 0 | 0 | 37 | 23 | 60 |
| The Pas | 140 | 109.0 | 24 | 38 | 46 | 1 | 218 |
| James Smith | 126 | 51.6 | 21 | 0 | 74.9 | 9 | 157 |
| Peguis | 99 | 18.5 | 4 | 0 | 159.7 | 25 | 208 |
| Big Cove | 61 | 1 | 0 | 0 | 18.6 | 0 | 21 |
| Piapot | 55 | 75 | 24 | 7 | 158 | 19 | 283 |
| Coefficient of Cor. with Per Capita Income | | .075 | .128 | .25 | .27 | -.25 | .029 |

One obvious, but only partial, explanation (for reasons developed later) for this lack of correlation is that band funds, as a source of capital, have been used to only a small extent in investments that yield income from gainful employment to band members. The major part of them has been invested in government bonds and to a lesser extent, in social capital or welfare projects on reserves (e.g., council houses, residential housing, various public works or local improvements). There are, of course, individual exceptions that show fruitful results; for example, Kamloops, while of moderately low income, has shown rapid development in recent years, partly through using its band funds for developmental purposes.

### (b) Band Revenues

Band revenues show a similar pattern of distribution to that of band funds, of course, as they are derived largely from the latter, and they show a similarly low degree of correlation (.128) with levels of per capita income. Strictly speaking, of course, band revenues are a category of income rather than of capital. But, as a source of income over and above earnings from employment or other sources, they represent a potential source of capital accumulation and economic development. Like band funds, however, the revenues accruing to Indian bands have been used to only a limited extent for employment or revenue-producing purposes for the members. They have been used rather for such purposes as welfare or relief, repair and maintenance of social capital, and the like. In practice, as often as not, the availability of sizable annual revenues available for cash distribution to band members has acted as a deterrent to, or a substitute for, gainful employment. As noted earlier, the Superintendents of both the Sarcee and Sampson Agencies listed such cash distributions as one factor deterring the members of these communities from making full use of the resources owned by or available to them.

### (c) Band-owned Equipment

This item, in the aggregate, is of relatively minor consequence. The only bands with large amounts of such capital are those with large band funds, and generally the same observations would apply.

### (d) Individual Savings and Real Capital

It is a basic tenet of economic theory that the "propensity to save" rises more than proportionately to increases in income. The higher the income, generally, the higher the proportion, as well as the amount, of income that is saved in one form or another. On the basis of this principle, one would expect a high positive correlation between income levels and individual accumulations of capital among different Indian bands across the country.

There is no way of knowing the magnitude of savings by individual Indians in the form of bank accounts, cash hoards, equities in insurance policies and the like. Nor is there any reliable means for finding the sum total of their personal indebtedness to creditors of various kinds, such as private fur, fish or lumber buyers, retailers of equipment and supplies, etc. One general impression is that the majority in most communities have very small, if any, personal savings, and are continually in debt to creditors of one kind or another.

One measurable index of private capital accumulation is the ownership of revenue-producing buildings, equipment, supplies and livestock. With regard to this category of capital, again, there appears to be little, if any, positive correlation between average income levels and ownership of real capital. This is evident in the figures shown in Table VII and the coefficient of only .27.[1]

Again, there appears to be a fairly simple explanation for this lack of correlation. The Indian bands enjoying the highest average per capita real incomes are, as noted earlier, those which have a high proportion of their members working in relatively well-paid wage or salaried jobs on the outside. Such are, for instance, the Caughnawaga in Quebec and the Skidegate and Squamish in British Columbia. Two of these groups have little incentive to save and accumulate capital for income or revenue-producing purposes, for the larger metropolitan communities in which they reside already provide most of the goods and services they require more efficiently, and at lower cost, than they could produce for themselves. Their surplus incomes above subsistence, therefore, tend to be invested in automobiles, television sets, household appliances and other types of consumer capital, or spent on relatively expensive types of services and recreational activities. (Members of the Caughnawaga Band, for instance, appear to own two or three times the number of automobiles, per capita, owned by most other Indians in Canada. Considering the mobile conditions which their employment in high steel construction requires, perhaps automobiles should be considered as income-producing capital, like the tractor for the farmer, the boat for the fisherman, or the snowmobile for the trapper.)

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[1] As noted earlier, the inventory of capital equipment in the Resources Questionnaire covered only the four resource industries of farming, fishing, hunting and trapping, and logging. Unfortunately, it did not include the value of buildings, equipment and supplies of Indian-owned business and industrial enterprises.

The Indian bands whose members have accumulated the largest amounts of revenue-producing capital per capita, by contrast, are those in which a large proportion of the members have specialized in the function of individual proprietors who derive their livelihood from local resources (particularly farming) rather than outside wage employment. The traditional, and over crowded, resource-based industries (farming, trapping and fishing particularly) generally offer lower rates of pay -- especially for independent proprietors or workers on contract -- than do the more efficiently organized urban industries hiring workers by the hour -- and the former generally require the investment of several hundreds of dollars in equipment and supplies to boot!

There are notable exceptions to this broad picture. There are a few bands in the high average income category, in which a minority of successful proprietors have accumulated relatively large amounts of capital which have enabled them to operate efficiently and profitably, on a large scale. Notable among these are Nimpkish, on Vancouver Island, in which several residents own purse-seining vessels valued at $50,000 or more, and frequently earn five-figure incomes from fishing; the Okanagan Band in British Columbia in which a few own herds of cattle valued in the tens of thousands of dollars; and Lorette, Quebec, in which one family owns a factory valued in the hundreds of thousands, and several proprietors own capital in the tens of thousands.

### (e) Capital Aid or Grants from the Indian Affairs Branch

Most capital investments or grants in band communities made by the Indian Affairs Branch have been for social capital and public works of various kinds, rather than directly for employment and revenue-producing purposes. The policy has been, generally, to give a higher priority for such capital aid to low income, under-developed bands, while those with larger band funds and revenues are expected to look after most, or all, of their own undertakings. Thus, as may be seen from Table VII, there is a generally negative correlation between per capita income and Branch-owned facilities or equipment per capita.

### (f) Repayable Loans Available from the Indian Affairs Branch

The main source of capital made available to Indians by the Branch for revenue-producing purposes is the so called Revolving Fund, as laid down in Section 69 of the Indian Act. It is designed to make loans available to Indians on favourable terms, because of special difficulties they face in raising credit from outside sources. Such loans are generally limited to a maximum of $10,000 to any one individual or group, are repayable within five years and are designed for the purchase of movable equipment or livestock (as distinct from real estate or fixed assets).

A study of the economic position of Indians in British Columbia undertaken in 1954-55 indicated that the Fund, having an upper limit of $350,000 in total loans outstanding, was insufficient. The demand for loans exceeded the funds available, and numerous individual projects that appeared to be worthwhile and potentially revenue-producing had to be abandoned or deferred by 1964, when the present study was begun. The maximum available from the Fund had been raised to $1,000,000, and in recent years the total loans outstanding to qualified applicants fell far short of this. The picture has changed rapidly, again, during the past two years; by 1966 the maximum total had been raised to $1.5 million, and the demand for loans again exceeded capacity.

Again, there appears to be little or no direct correlation between the availability of such credit, or the degree to which it has been used, on the one hand, and the level of economic development achieved, on the other. The reason is broadly the same as outlined earlier. The main demand for Revolving Fund loans comes from small scale working proprietors or self-employed in such fields as farming, logging, trapping and fishing, and to a much lesser extent, small business and service establishments. These are generally in the low, marginal, or, at best, medium income category. Among the highest income bands, on the other hand, where a high proportion of the members work outside of the reserve for wages, the demand for Revolving Fund loans is minimal or non-existent.

## (g) Repayable Loans or Credit from Other Outside Agencies

While there does not appear to be any serious shortage of short-term or intermediate capital in the form of small or medium-sized loans available to Indians, they do face certain special difficulties in getting long-term capital for larger fixed investments (e.g. stores, industrial plants, large logging or sawmilling operations, large fishing boats and buildings and equipment for large scale farming). Their most obvious limitation in this regard appears to lie in their inability to use their land or buildings for collateral to raise mortgage capital, because of restrictions on the alienation of reserve land or fixed assets.

Indians appear to meet similar difficulties in getting large amounts of short-term or intermediate credit from other outside sources (e.g. banks, finance companies, equipment dealers, and the like) for meeting short-term needs with regard to such items as payrolls and restocking of inventories, repairs and replacements, etc. In part this arises from the stereotype held by Whites of Indians as being irresponsible and careless with money and equipment and the like. Perhaps more important is the fact that very few Indians (and few Whites for that matter) have the training, experience, know-how and contacts to be able to operate among all the intricate channels and deals involved in raising capital in the complex maze of money and credit facilities that characterize the modern business world.

Most credit that Indians raise for employment- and revenue-producing purposes, outside of the Indian Affairs Branch, as noted earlier, comes from individuals or firms engaged in the buying, selling and processing of resources such as fish canneries or processing plants, fur traders, log buyers and the like. Characteristically, the buyer grubstakes and equips the Indian producer on credit, usually on the understanding that the latter will sell his output exclusively to the creditor. While this arrangement probably has enabled many Indians to acquire the means to make a livelihood in the basic resource industries, which they might not have been able to do otherwise, the system tends to have two singular disadvantages: it tends to perpetuate a relationship of paternalism and dependency between Whites and Indians, and it tends to limit the mobility of Indians, and perpetuate overcrowding and inadequate income in the traditional resource industries.

In general, the limited role that capital has played in the economic development of Indians lies in their lack of business experience, know-how and motivation, and weaknesses in their position in competition with experienced and established non-Indian operators, rather than difficulties in their raising capital. By and large, the Indian reserves which offer the greatest potentialities for business or industrial development are also those which already have large band funds and revenues, for the reason that they generally occupy land that is strategically situated and valuable. Band funds and other Indian-owned capital have been used to only a limited extent for business or industrial development. A major part of such development on reserves appears to have been done by outside interests leasing land and other resources from Indian bands. To an increasing extent this appears to be the prevailing trend in agricultural development as well.

Again, there are notable exceptions. A few Indian-owned and managed enterprises in scattered bands across the country have achieved considerable success and magnitude. They would seem to merit a special study in themselves, not only to examine the special character and circumstances of Indians who become successful entrepreneurs, but also to examine how they raised the capital to finance their operations.

### 3. Social Capital and Infrastructure

Many writers and experts in the field of economic development maintain that people in a nation, region or community will not develop economically -- that is, individuals will not be stimulated to save and invest capital for developmental purposes -- until there is a sufficient infrastructure of road, railway, or water transportation, electrical power, running water and other facilities required for the efficient harvesting, transporting, processing and marketing of resources; the provision of adequate living conditions for people, and facilities for transporting them to and from their jobs; and other such needs.

The development of such facilities, or their availability to Indians depends on four sources in roughly the following order of importance:

(a) Indian Affairs Branch
(b) Other government agencies: federal, provincial or municipal
(c) Band funds, where available
(d) Private business firms in certain fields (e.g. automotive transportation)

By its nature, it is impossible to get accurate and quantified measurement of the comparative role that social capital or infrastructure plays in contributing to the economic development of different band communities across the country. At the extremes, of course, the picture seems clear; on the one hand, there are the isolated, under-developed bands in the north, having minimum facilities; and on the other, the high-income, developed bands lying in or near large urban communities and benefiting from an already well developed infrastructure.

Again, it would seem a safe assumption that the economic and social backwardness of Indians generally in Canada, as compared to Whites, rests at least partly on the fact that, because of their geographic or social isolation, they have had less access to and use of a variety of public facilities besides those of formal education and health. These are a necessary part of the everyday conditioning of most individuals in fitting them to function efficiently in the complex society of today.

It would be difficult, however, to establish any direct connection between capital expenditures by the Indian Affairs Branch for social capital in different bands, and their degree of economic development, because such expenditures tend to be proportionately larger in the poorer bands, whose members are unable to pay for such facilities from their own income and resources. The bands that are best provided with such facilities appear to be those with large band funds, and most of these, as noted, are also located close to, or with good access to, large metropolitan centers or flourishing industrial communities, for instance, the Lorette, Walpole Island and Squamish Bands. But even among bands that appear to have equally good infrastructure there are wide variations in the degree to which Indians utilize their resources effectively for economic development, and/or take full advantage of job opportunities in the outside labour market.

Perhaps the more important impact of infrastructure development on Indian band members, in the long run, may be its effect on their work incentives rather than on their willingness to save and invest capital and develop resources owned by or available to them. Electrification of homes and farms, and the construction of good roads and highways in or near Indian villages, would tend to generate increased demand for automobiles and other vehicles, electrical appliances and other expensive types of consumer capital. This, in turn, should be expected to instil stronger incentives to seek, and get, steady well-paid employment outside of the reserve.

## TABLE VIII

## DURABLE CONSUMER GOODS: PERCENTAGES OF HOUSEHOLDS IN THIRTY-FIVE SAMPLE BANDS WITH BASIC HOME FACILITIES AND AUTOMOBILES

| Band | Per Capita Income | Indoor Toilets % h.h. | Baths % h.h. | Telephone % h.h. | Automobiles % h.h. | Electricity % h.h. |
|---|---|---|---|---|---|---|
| Skidegate | $1252 | 74 | 83 | 55.5 | 54 | 100 |
| Caughnawaga | 793 | 33 | 33 | 33 | 88.5 | 92 |
| Walpole Is. | 715 | 13 | 13 | 43 | 33 | 56 |
| Sheshaht, V.I. | 664 | 80 | 80 | 45 | 25 | 86 |
| Lorette | 630 | 100 | 100 | 100 | 17.5 | 100 |
| Squamish | 630 | 75 | 99 | 21 | 36 | 100 |
| Tyendinaga | 516 | 2 | 2 | 35 | 81 | 73.5 |
| Curve Lake | 350 | 11.2 | 2.0 | 18 | 66 | 95 |
| Six Nations | 350 | 4.5 | 4.5 | 31 | 68.5 | 72 |
| Mistassini | 341 | 2.5 | 2.5 | 2.5 | 7.3 | 2.5 (1 household out of 41) |
| Dog Rib Rae | 332 | 0 | 0 | 0 | 0 | 0 |
| Port Simpson | 325 | 21 | 88 | 0 | 1.0 | 87 |
| Kamloops | 314 | 3 | 3 | 11 | 25.5 | 100 |
| Sarcee | 302 | 6 | 6 | 23 | 48.0 | 0 |
| Fort William | 298 | 2 | 2 | 11 | 42.5 | 82 |
| Williams Lake | 291 | 3.3 | 3.3 | 10 | 8.0 | 100 |
| Moose Factory | 284 | 1.6 | 1.6 | 45 | 33 | 4 |
| River Desert | 250 | 7 | 5 | 35 | 30.0 | 41 |
| Attawapiskat | 247 | 0 | 0 | 32 | 14 | 0 |
| St. Mary's | 249 | n/a | n/a | n/a | 10 | 0 |
| Pointe Bleue | 222 | 20 | 12.7 | 51 | 22.5 | 70 |
| Tobique | 215 | 33 | 28 | 10 | 34.6 | 98 |
| Fond du Lac | 200 | 0 | 0 | 0 | 0 | 0 |
| Pikangikum | 197 | 0 | 0 | 0 | 12.3 | 0 |
| Shubenacadie | 180 | 6 | 4 | 10 | 30.1 | 0 |
| Oak River | 176 | 0 | 0 | 2 | 72.1 | 33 |
| Rupert House | 174 | 0 | 0 | 0 | 0 | 1.2 |

TABLE VIII (continued)

| Band | Per Capita Income | Indoor Toilets % h.h. | Baths % h.h. | Telephone % h.h. | Automobiles % h.h. | Electricity % h.h. |
|---|---|---|---|---|---|---|
| Cold Lake | 165 | 1.7 | 1.7 | 1.7 | 13 | 1.7 (2 households) |
| Fort St. John | 161 | 0 | 0 | 0 | 0 | 0 |
| Deer Lake | 156 | 0 | 0 | 0 | 7 | 0 |
| The Pas | 140 | 0 | 0 | 8 | 9 | 7 |
| James Smith | 126 | 0 | 0 | 2 | 14 | 2 |
| Peguis | 99 | 1 | 1 | 0 | 12.5 | 40 |
| Big Cove | 61 | 4 | 4 | 4 | 38.6 | 40 |
| Piapot | 55 | 0 | 0 | 0 | 46 | 2 |
| Coefficient of Correlation with Per Capita Income |  | .72 | .67 | .64 | .40 | .55 |

Limited evidence in this connection seems to indicate that there is some such effect. Table VIII, with a sample of bands ranked according to per capita income, lists the percentage of houses with electricity, telephones, baths and indoor toilets, and the ratio of automobiles to population (measured in terms of numbers of households per automobile) for each band. The first four items show a high or significant degree of correlation with income, with coefficients of .55, .72, .65 and .72 respectively. The majority of bands lack electricity and the housing facilities listed, while all of the eight most developed bands, with the exception of Sheshaht, a logging community on Vancouver Island, are relatively well supplied with such facilities. The role of automobiles is less significant as an index and shows no significant degree of correlation because many bands, some of which are relatively well developed, lack adequate roads or highways and depend primarily upon transportation by boat, plane or snowmobile.

Even on this point, however, the relationship is far from consistent. To use the example of the Sarcee Band again, it is exceptionally well endowed in natural resources and in capital, and adjoins the rapidly expanding city of Calgary. Apart from electrical power, it has itself, and has further access to, a far better infrastructure than the vast majority of bands. Yet, in terms of per capita income from gainful employment, it is far less developed than numerous other bands that are far less endowed in this respect.

Close physical proximity of a community to a well developed city or town does not in itself, of course, mean that the band members are endowed with, or have access to, a good infrastructure. For the residents of many a reserve on the outskirts of a city or town, poor roads and lack of cars or other means of transportation, coupled with the attitudes of most urban White residents, may create a degree of isolation as effective as if the reserve were located a hundred miles distant. And, in many cases, such reserves are as lacking in good roads, electricity, running water, sewers or other such facilities as are the more rural and geographically isolated communities.

This may be one factor that helps to account for the very different degrees of development achieved by two or more Indian bands which in virtually all other respects seem comparable. An example of this are the Squamish and Musqueam Bands in Greater Vancouver. Both bands have a similar earlier cultural background and the same religious affiliations, and are located in suburban areas about equally distant "as the crow flies" from the business centre of the city. But, where Squamish is ranked as one of the more high income, developed bands, Musqueam is relatively depressed, with most of the labour force in the casual unskilled category and a high rate of dependency on relief. However, the Squamish Band is located in the midst of a mixed industrial-commercial-residential area in North Vancouver, with a high proportion of its residents located along main highways and streets, close to White neighbours, industrial plants and shopping centres. Most of the residents of Musqueam, by contrast, are located in a large tract on the extreme southwestern edge of the city, along the flats where the North Arm of the Fraser River empties into the Gulf of Georgia. This community adjoins a broad high class middle and upper-income residential area, which separates most Musqueam residents from easy access to business or industrial establishments. There are only one or two roads that provide any sort of physical connection of the reserve with the city, while roads within the reserve were, in 1964, poor. In effect, the physical barriers in the way of transportation and communication, even over a limited distance of one or two miles, create a degree of social isolation that has helped to keep the Musqueam community underdeveloped.

It is in such situations as this that the creation of an effective infrastructure can, under propitious circumstances, achieve spectacular results in economic development. The Kamloops Band is an outstanding example. Ten years ago it was a relatively depressed, low-income band, most of whose members were casually employed at farm or ranch labour and dependent upon revenues from land and timber leases, supplemented by relief, for a large or major part of their livelihood. Subsequently the Band Council, with the assistance of the Indian Affairs Branch and of outside planning consultants, had a tract of reserve land zoned and developed for lease to outside interests for business or industrial purposes. Several dozen new plants have been established on the reserve, providing a major new source of employment and income for band members. In a number of other communities, by arrangement with the Band

Councils, city boundaries have been extended to include tracts of reserve land and roads, water mains, sewers, fire protection and other city facilities and services have been provided. In a number of such cases, the additional revenue from industrial or business leases has more than compensated for the additional taxes and other charges involved.

About all one can conclude from these numerous examples is that an adequate infrastructure is a vital and necessary part of any developmental program for Indian band communities, but it is not sufficient by itself.

## 4. Professional and Entrepreneurial Middle Class

One feature common to poor and under-developed nations or regions is the relatively small percentage of the population that comprises middle class professionals and businessmen. A number of authorities express the view that such groups are crucial to economic development, for two main reasons:

(a) To provide the enterprise and assume the risks of accumulating and investing capital in job-and income-producing enterprises;

(b) To provide a demonstration effect, or leavening effect, in raising the level of aspirations of others in the community, thereby motivating them to become more industrious and productive workers.

With regard to the various Indian bands in the representative sample being studied in this Report, it would be difficult to demonstrate that any such leavening effect is operative. For one thing, as may be seen from Table IX below, the number of bands with any professional workers at all among their members is very limited. Only four bands in the sample of thirty-five are in this category. Two of them, Lorette and Six Nations, are in the high and medium income category respectively, while two others, Sarcee and River Desert, are, at best, in the moderately developed class. This perhaps understates the case, however, in so far as an unknown number of Indians from various bands who have achieved a professional status have left their home reserves permanently and forsaken their band membership.

In any case, it seems likely that the small numbers of native Indian professional workers probably have very little leavening effect on their fellow band members, for two main reasons:

(a) The majority of professional workers, to engage in their practice, reside and work in cities and towns where they are physically separated from the reserve communities.

(b) Attainment of a professional status requires, in most cases, long hours over a period of years, of study and hard work at relatively low rates of pay. Indian professional workers, particularly those who are visible to their fellow band members, tend to be concentrated in the ranks of those professions that are in the lower paid categories, such as teaching, nursing and social work, and, in a handful of cases, salaried lawyers and doctors. These latter, lacking perhaps the most valuable contacts or connections, and perhaps also unsophisticated in the ways of the Establishment, are usually in the lower income ranks of their professions. In general, as the broad survey in the preceding chapter brought out, among Indians, professional workers, while more regularly employed and having higher annual incomes than skilled workers, have lower average monthly earnings. To many Indians, therefore, valuing both leisure and short-run gains in money or kind, the rewards of professional careers probably appear intangible, if not absent.

The picture is far less clear with regard to self-employed non-farm proprietors, who could be put, broadly, in the business class. The difficulty with defining this occupational category -- in the Resources Questionnaire as in the Dominion Census -- is that it covers such a wide range as to be virtually meaningless. Among the bands sampled, as in the figures in Table IX, it ranges from individuals who barely eke out a living from small confectioneries, carrying a few hundred dollars of stock, or small logging or construction contractors

## TABLE IX

## PERCENTAGE OF WORKERS IN PROFESSIONAL POSITIONS AND INDEPENDENT NON-FARM PROPRIETORSHIPS, IN EACH OF THIRTY-FIVE SAMPLE BANDS

| Band | Per Capita Income | Professional Workers | Non-Farm Proprietors |
|---|---|---|---|
| Skidegate | $1252 | | 3.24 |
| Caughnawaga | 793 | | 3.0 |
| Walpole Island | 715 | | 3.5 |
| Sheshaht | 664 | | |
| Lorette | 630 | 2.0 | 19.5 |
| Squamish | 630 | | 1.7 |
| Tyendinaga | 516 | | 4.6 |
| Six Nations | 350 | 8.2 | 4.7 |
| Curve Lake | 350 | | |
| Mistassini | 341 | | |
| Dog Rib Rae | 332 | | |
| Port Simpson | 325 | | 5.5 |
| Kamloops | 314 | | |
| Sarcee | 302 | | |
| Fort William | 298 | | |
| Williams Lake | 291 | | |
| Moose Factory | 284 | | |
| River Desert | 250 | 2.5 | 3.7 |
| Attawapiskat | 247 | | |
| St. Mary's | 249 | | 3.3 |
| Pointe Bleue | 222 | | 8.1 |
| Tobique | 215 | | |
| Fond du Lac | 200 | | |
| Pikangikum | 197 | | |
| Shubenacadie | 180 | | 9.1 |
| Oak River | 176 | | 8.7 |
| Rupert House | 174 | | |
| Cold Lake | 165 | | |
| Fort St. John | 161 | | |
| Deer Lake | 156 | | |
| The Pas | 140 | | 13.50* |
| James Smith | 126 | | |
| Peguis | 99 | | 1.4 |
| Big Cove | 61 | | 8.5 |
| Piapot | 55 | | 6.0 |

*The figure for The Pas was inflated by the inclusion, in the item in the Resources Questionnaire, of a number of self-employed pulpwood cutters working on contracts or shares.

with a few fellow band members working on shares, to the owners of large fishing vessels and industrial establishments valued in the tens or hundreds of thousands of dollars. (Unfortunately, as noted before, the Resources Questionnaire did not provide any inventory of types and values of buildings, equipment and materials of Indian-owned business or industrial enterprises.)

By a strict statistical test, there does not appear to be a significant correlation between economic development and percentage of the labour force in independent non-farm proprietorships. As another, but rough, index, however, seven out of the eight most highly developed bands have some independent business or industrial proprietors (and Lorette has the significantly high percentage of 19.5) while only eleven out of the remaining twenty-seven bands are in this category. These figures probably understate the degree of correlation, for virtually all of the relatively large proprietorships including those which employ others for wages or salaries, are in the eight most developed bands.

On the other hand, two of the highest income bands have virtually no business proprietorships -- notably, Squamish, with only 1.7 per cent of the labour force, and Sheshaht, with none at all. A number of other bands in British Columbia, including several in the northern coastal region, have higher proportions of business and professional men in their ranks even though having lower per capita real incomes. One important factor, perhaps, is that their relative isolation from main White population centres offers an incentive to some individuals to provide some goods or services to their fellow band members for a profit, while having some protection against White competition. In contrast to these, while the relatively high incomes and sizable band funds and revenues of the Squamish Band could, in isolation, support a large number and variety of business and professional services, these have not, in fact, developed. The main reason appears to be the accessibility to (and therefore competition from) business and professional services easily available in the surrounding urban community. Consequently, Squamish Band-owned land for business and industrial enterprises has been leased to outside interests, rather than used by band members to develop business and professional services for themselves or the surrounding White community.

This pattern of specialization is probably typical of a number of bands, particularly where they comprise a relatively small population that specializes in wage-earning jobs in nearby towns or industrial centres.

## 5. Occupations, Earnings and Continuity of Employment

The evidence available from the sample study shows very limited -- and in some cases, inverse -- correlation of the comparative levels of per capita income with some of the most widely accepted economic determinants of economic development; namely, ownership or availability of resources and of capital, infrastructure, and development of a professional and business minority in the community.

The only basically economic determinants that do show a high positive correlation, as brought out below, are those concerning: (a) the occupations or industries in which the members of different bands are employed; (b) their comparative rates of pay; and (c) their duration or continuity of employment. The results are modified by two demographic factors, namely --

(1) differences in age structure among the band population; and
(2) the participation rate; that is, the percentage of persons of working age who are gainfully employed.

As noted earlier, a band whose workers earn a relatively large annual income, may have relatively low per capita real income from gainful employment, because of a low participation rate of its adults in the labour force, and/or a high proportion of dependent children and old people in its population. Thus, for instance, Lorette, whose workers average only $2048 per annum, or less than one-half the $4400 received by workers in Sheshaht, has only a slightly lower per capita real income from gainful employment because it has a high participation rate of 51.3 per cent as compared to 34.7 per cent for Sheshaht, while the percentages of the band populations under sixteen years of age are 32.8 per cent and 51.7 per cent respectively. Or, again, the low participation rate in Caughnawaga of only 25.6 per cent is counterbalanced by the unusually high level of average earnings per worker, and the low percentage of the population under sixteen years of age, of only 32.1 per cent (incidentally, the lowest known percentage of any Indian band in Canada).

For various reasons that will be discussed later, there appears to be a fairly high degree of inverse correlation between economic development or per capita real incomes of bands, and percentages of band populations under sixteen, but very little, if any, with participation rates. The main economic determinants of average per capita real income, to repeat, are those of occupations, rates of pay, and duration of employment.

The role of occupations seems clearly apparent from Table X below. As could be surmised from the broad survey in Chapter III, and from the discussion of resource ownership or availability above, there is generally an inverse correlation between average per capita real income of a band and the percentage of the population engaged in resource-based industries. Only a small proportion of the labour forces in the eight most economically developed bands are engaged in the resource-based fields of farming, farm labour, forestry, fishing, trapping, guiding, food gathering and handicrafts, while in most of the lower income or under-developed bands a majority of the labour force is engaged in two or more of these fields.

One or two exceptions to this general pattern require some explanation. With regard to forestry, in the broad sense of the term, a majority of workers in the Skidegate and Sheshaht Bands and a significant minority in the Squamish Band are employed in logging. However, logging on the Coastal areas of British Columbia, involving as it does the use of large and complicated machinery requiring considerable skill in varying degrees to handle the unusually large size of logs, is so different from forestry operations in the rest of the country as to constitute a distinct industry in itself. Its workers are predominantly skilled and, to a lesser extent, semi-skilled, and most of them have been classed accordingly in Table X. (As noted earlier, the Resources Questionnaire has no provision for the semi-skilled category. Loggers in British Columbia, as well as other skilled or semi-skilled workers whose incomes were less than $2000 per annum, or $300 per month, were placed in the casual, unskilled category in the Table.)

Similar observations would apply to fishing in British Columbia, as represented in the Skidegate, Masset and Port Simpson Bands, as compared to fishing in other provinces.

As may be seen from Table X, the highest degrees of correlation between economic development or per capita real income of bands and percentage of workers in various occupations lies in skilled work (.79). The lack of any significant correlation in the case of casual unskilled labour is explained by the fact that, as in the case of non-farm proprietorships as discussed earlier, the data included in this classification in the Resources Questionnaire cover such a wide range as to render any meaningful relationship impossible to measure. Such widely different groups as intermittently employed longshoremen, construction workers and factory workers earning $2.50 to $3.50 an hour, or $300 to $400 monthly, in Quebec, Ontario or British Columbia, are sufficiently different from Indians doing odd farm jobs in the Southern Prairies or the Maritimes for 60¢ to $1 or $100 to $150 a month, as to constitute separate and distinct occupations.

This is illustrated in Table XI below, from data collected in a nation-wide welfare and housing survey by the Indian Affairs Branch in 1963. For the twenty-five Indian bands covered, that are part of the sample being studied in this Report, it is evident that labour in the more developed bands -- including those which have sizable amounts of farmland or other resources on their reserves -- the main sources of income and employment lie in such fields as construction, longshoring, logging (in British Columbia), factories or industrial establishments and offices, while in the low-income bands they are largely related to the lower income resource-based industries. (In this connection it is interesting to note that the correlation between per capita income and percentage of band members in farm proprietorships, while too small to be of any significance, is negative at -.25.)

The close relationships between economic development, rates of pay and duration of employment are readily apparent from the figures in Table XII below. There is a high correlation of bands ranked according to per capita real income with ranking according to the following variables shown in the Table: average annual earnings (.61), monthly rates of pay (.77), average months of employment per job per annum (.63), months of employment per worker per annum (.60), and percentage of employable males aged sixteen to sixty-four employed more than nine months during the year (.72), or inversely, percentage employed less than six months (-.76).

There is also a high degree of multiple correlation among these variables. That is to say, a relatively large proportion of people in the more developed bands are employed at relatively steady jobs and these, by and large, are better paid (in terms of average hourly or monthly rates) than are the odd jobs of short duration that characterize the employment pattern of the lower income, less developed bands. Hence workers in the former category enjoy average annual

**earnings several times higher than those in the latter. At the extremes, the ratio between Skidegate and Peguis is almost 10:1 (i.e. $4640 to $480 -- see Table I, Chapter IV). Indeed, the difference between the extremes is probably higher than this in view of the fact, as noted in Chapter III, that per capita real incomes in the more developed bands, such as Skidegate, are probably underestimated.**

## TABLE X

### PERCENTAGE DISTRIBUTION OF LABOUR FORCE BY INDUSTRY AND OCCUPATION, IN THIRTY-FIVE SAMPLE BANDS

| Band | Per Capita Income | Forestry | Fishing | Trapping | Guiding | Handi-crafts | Food Gathering | Farm Labour | Casual & Unskilled | Skilled | Clerical | Profes-sional | Farm Proprie-tors | Non-Farm Proprie-tors |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Skidegate | $1252 | | 21.6 | | | 4.9 | | | | 70.3 | | | | 3.2 |
| Caughnawaga | 793 | | | | | | | | 6.5 | 83.6 | 8.5 | | | 3.0 |
| Walpole Is. | 715 | | 2.9 | 3.8 | 3 | 6.5 | | | 55.4 | 8 | 8.1 | | 8.7 | 3.5 |
| Sheshaht | 664 | | .8 | | | | 2 | | 24.8 | 72.3 | | | | |
| Lorette | 630 | | | | 3.4 | 14 | | | 32.3 | 18.5 | 10.1 | 2 | | 19.5 |
| Squamish | 630 | | 1.5 | | | 2.1 | | | 62.6 | 28.3 | 1.7 | | | 1.7 |
| Tyendinaga | 516 | | | | | | | | 24.5 | 36.5 | 12 | | 17.5 | 4.6 |
| Six Nations | 350 | | | | | | 13.1 | | 33.8 | 25.3 | 2 | 8.2 | 7 | 4.7 |
| Curve Lake | 350 | | | 8.0 | 6.8 | 8.1 | 10.2 | | 30.6 | 28.5 | | | | 8.1 |
| Mistassini | 385 | 8.1 | 2.9 | 54.3 | 2.3 | | | | 27.6 | 2.3 | 1.4 | | | 0 |
| Dog Rib Rae | 332 | 8 | 12.3 | 42.5 | | 4 | | | 28.6 | | 4 | | | |
| Port Simpson | 325 | | 30 | 2.1 | | | | | 36.4 | 24.6 | | | | 5.5 |
| Kamloops | 314 | 7.2 | | | | | | 5 | 51.8 | 8.6 | 1.4 | | 11.5 | |
| Sarcee | 302 | | | | | 10.7 | | 17.8 | 21.4 | 10.7 | 6.9 | | 23.5 | |
| Fort William | 298 | 31.7 | | | | | | | 40.1 | 16.9 | 8.4 | | | |
| Williams Lake | 291 | 13.3 | | | | | 26.6 | | 23.9 | 10.6 | | | 25.7 | |
| Moose Factory | 284 | 6.1 | | 12.3 | | | | | 48 | 24.6 | 4.9 | | | |
| River Desert | 250 | 53.4 | | 6.2 | 15.4 | 2.7 | | | 5.6 | 5.1 | 6.2 | 2.5 | 2.6 | 3.7 |
| Attawapiskat | 247 | | | | | | | | | | | | | |
| St. Mary's | 249 | 55.8 | | | | 3.3 | 4.2 | 6.2 | 22.5 | 1.2 | | | | 3.3 |
| Pointe Bleue | 222 | 3.3 | | 5.0 | 5.6 | | | | 40.1 | 14.7 | 20.3 | | | 8.1 |
| Tobique | 215 | 10.3 | | | | 11.0 | 12.9 | | 41.2 | 16.5 | 8.2 | | | |
| Fond du Lac | 200 | | 4.3 | 56.9 | | | | | 28.7 | 4.2 | | | | |
| Pikangikum | 197 | 6.8 | | 19.8 | 57.4 | | | | 13.5 | | | | | |
| Shubenacadie | 180 | 8.8 | | | | 22.7 | 15.1 | | 26.5 | 6.0 | | | | 9.1 |
| Oak River | 176 | | | | 8.9 | | | 8.7 | 31.2 | 10.4 | | | 32.3 | 8.7 |
| Rupert House | 175 | 7.8 | | | 62.3 | 10.4 | | | 5.2 | | | | | |
| Cold Lake | 165 | 25.5 | 2.8 | 2.8 | | | 16.7 | 5.5 | 10 | 3.2 | | | 18.7 | |

TABLE X (continued)

| Band | Per Capita Income | Forestry | Fishing | Trapping | Guiding | Handi-crafts | Food Gathering | Farm Labour | Casual & Unskilled | Skilled | Clerical | Profes-sional | Farm Proprie-tors | Non-Farm Proprie-tors |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fort St. John | $ 161 | | | | | | | | | | | | | |
| Deer Lake | 156 | | 18.7 | 56.6 | | | 3.1 | | 15.5 | 1.8 | 1.8 | | | |
| The Pas | 140 | 3.4 | | | 4.8 | | 5.6 | | 58.2 | 4.8 | 4.8 | | 2.4 | 13.5 |
| James Smith | 126 | | | | 15.1 | | | | 29.2 | | 5.2 | | 26.8 | |
| Peguis | 99 | 13.7 | 6.8 | | | | | | 18.3 | 5.6 | 13.7 | | 37.0 | 1.4 |
| Big Cove | 61 | 23.6 | | | | | 25.5 | 28.3 | 5.7 | | 8.5 | | | 8.5 |
| Piapot | 55 | 11 | | | | | | | 54.7 | 4.6 | | | 23.3 | 6.0 |
| Coefficient of Correlation with Per Capita Income | | | | | | | | | .002 | .79 | .05 | | -.25 | .06 |

TABLE XI

EMPLOYMENT OPPORTUNITIES AND SEASONAL UNEMPLOYMENT

(Representative Sample of Thirty-Five Indian Bands)

| Band | Per Capita Income | Employment Opportunities Locally Available in Order of Importance | Critical Months of Seasonal Idle Capacity |
|---|---|---|---|
| Skidegate | | Logging, fishing, seal hunting, trapping, construction, mining. | |
| Caughnawaga | $793 | Structural steelwork, factory work, office work, work on stone quarries, tree surgery, golf clubs, and also other work common to a small town. | March, April, May, December, January, February. |
| Walpole Is. | 715 | Industry, agriculture, construction, fishing and guiding, domestic. | December, January, February. |
| Sheshaht | 664 | Logging, sawmills, pulp mills, longshoring | May. |
| Lorette | 630 | Industrial work, trade, retail services, clerical work, local industries on the reserve and in nearby localities in Quebec City. | March, April, May, December, January, February. |
| Squamish | 630 | Longshoring, mills, factories, logging, fishing. | December, January, February. |
| Tyendinaga | 516 | Casual part-time employment on farms and canning factories nearby. Day labour on construction projects in surrounding communities. | December, January, February. |
| Curve Lake | 350 | Industry (C.G.E., Outboard Marine, etc.), construction, tourism, farming, handicraft, manufacture. | March, October, November, December, January, February. |
| Six Nations | 350 | Fruit and tobacco labour, (seasonal), construction, factory construction, (farm implements, canning, etc.), domestic work, farming -- labour and self-employed. Main source of income found off reserve. | December, January, February. |
| Masset | | Logging, fishing, cannery work, mining, construction. | |
| Mistassini (Crees) | 385 | Trapping, mining, guiding, construction, transport and surveys. | June, July & August. |
| Dog Rib Rae | 332 | Trapping, fishing, fire-fighting, logging, wage employment, local construction. | December, January, February, June, July, August. |

TABLE XI (continued)

| Band | Per Capita Income | Employment Opportunities Locally Available in Order of Importance | Critical Months of Seasonal Idle Capacity |
|---|---|---|---|
| Port Simpson | $325 | Fishing, logging, stevedoring, winter works. | September, October, December, January, February. |
| Kamloops | 314 | Industrial subdivision on reserve, logging, lumber mills, cattle ranching, seasonal agricultural labour. | |
| Sarcee | 302 | Cattle ranching, casual and seasonal ranch work, wage employment in Calgary. | March, April, May. |
| Fort William | 298 | Pulp cutting on reserve, grain elevators, casual and seasonal employment. | December, January, February. |
| Williams Lake | 291 | Ranch labour, logging, cattle raising, trapping. | |
| Moose Factory | 284 | Hospital jobs, construction, casual employment (H.B.C., R.C.A.F.), trapping. | March, April, May. |
| River Desert | 250 | Wood operation on reserve, guiding, agency projects, pipeline. | March, April, May. |
| Attawapiskat | 247 | Hunting, trapping, intermittent work around H.B.C. and R.C. Mission, limited commercial fishing in summer (nomadic in winter -- live in Rupert House in summer). | July, August. |
| St. Mary's | 249 | Logging, seasonal agricultural labour, Xmas tree harvest, farming and farm labour, construction, guiding, trapping, handicraft. | January, February, March. |
| Pointe Bleue | 222 | | March, April, May, December, January, February. |
| Tobique | 215 | Potato harvest and construction work in Maine; local handicrafts | June, July, August, December, January, February. |
| Pikangikum | 197 | Trapping, fishing, employment provided by Indian Affairs Branch, logging. | March, April, May. |
| Shubenacadie | 180 | Handicrafts; fuel wood and Xmas trees; employment in industry away from reserve. | March, April, May, June, July, November, December, January, February. |
| Oak River | 176 | Few farmers, several farm labourers in summer, several in construction, sugar beet fields, and roads. Majority are unemployed during the winter. | March, April, May, September, October, November, December, January, February. |

TABLE XI (continued)

| Band | Per Capita Income | Employment Opportunities Locally Available in Order of Importance | Critical Months of Seasonal Idle Capacity |
|---|---|---|---|
| Rupert House | $174 | Trapping and hunting main source, but decreasing; guiding; canoe manufacture. Economy cannot support population without relief assistance. | March, April, May. |
| Cold Lake | 165 | Farm labour, fishing, construction and work at nearby air base. | March, April, May, December, January, February. |
| Fort St. John | 161 | Trapping, farming, ranch labour (highly mobile until three years ago). | June, July, August. |
| Deer Lake (Sioux Lookout) | 156 | Fishing, trapping, guiding, firefighting. | February, March, April, May. |
| The Pas | 140 | Manitoba Highways labour, C.N.R., casual local labour, trapping, fishing, pulpwood cutting. | March, April, May, June. |
| James Smith | 126 | Farm labour; casual jobs in other districts; trapping; community employment program. | November, December, January, February, March, April. |
| Peguis | 99 | General labour and nurse's aides, seneca root, pulp cutting, fish, farming and stock raising. | March, April, May, September, October, November, December, January, February. |
| Big Cove | 61 | Lumbering, fishing, handicrafts. | March, April, June, July, August, December, January, February. |
| Piapot | 55 | Casual farm labour, construction, domestic jobs. (Numerous members reluctant to accept employment away from home because earnings are less than social aid payments for an average family.) | March, October, November, December, January, February. |

The proportion of the population below the age of sixteen, presumably non-working and non-earning, is also considerably smaller in most (though not all) of the more developed bands than in the lower income categories. Thus, in Caughnawaga it is 32.1 per cent and in Skidegate 34.5 per cent as compared to Big Cove's 54.4 per cent. This creates a further disparity in the ratio of per capita real income from gainful employment of 13:1 and 20:1 respectively.

This relatively over-simplified picture, however, needs to be modified by two considerations, as listed earlier: (1) differences in participation rate; and (2) the fact that broad averages hide significant details.

There is not a discernible degree of correlation (.26) as seen in Table XII below, between average per capita real earnings and participation rates because, among Indian bands, as among nations, high participation rates are characteristic of both high average incomes and low average incomes at different stages of development. Characteristically, in the early stages of industrialization in Britain, the United States, Japan and other industrial countries, the earnings of men were insufficient to support their families, so their wives and older children also had to work. Over a period of decades, as the level of wage rates and annual earnings rose -- owing to higher productivity, protective labour legislation, trade unionism, and other forces -- wives tended to leave outside employment and return to their homes, and children remained longer in school so the participation rate tended to decline. In more recent decades, in the higher income, more economically advanced countries, women, particularly married women, have again been comprising a rapidly increasing proportion of the labour force. This has arisen from a number of developments such as higher levels of consumer aspirations, coupled with smaller families, labour-saving devices in the home, and a higher proportion of jobs in the white collar and service rather than manual category.

These variations seem apparent among Indian bands in the sample studied, as may be seen from Table XII. One of the highest-income, most developed bands, namely Lorette, has the highest participation rate, namely 52.3 per cent. Reference to Tables X and XI, showing main fields of employment, would suggest that a high proportion of women of working age in that band are employed in such fields as clerical and office work, retail sales, and light industry. On the other hand, some notably low-income bands, such as Maniwaki, Shubenacadie and Big Cove likewise have high participation rates. Data from Tables X and XI suggest that a high proportion of women in these bands are employed for short periods in low-income employment such as berrypicking and handicrafts.

At the other extreme, some high-income bands such as Skidegate, Caughnawaga, and to a lesser extent, Sheshaht and Squamish, have relatively low participation rates. In these, the high incomes are accounted for by specialization of a high proportion of the male workers in the bands in highly paid "men's work" such as high steel construction, longshoring and logging, while a relatively small proportion of the women participate in the outside labour market.

Some of the relatively developed bands, such as Walpole Island, Tyendinaga and Six Nations follow both patterns. A large minority of their members is employed in high-paid jobs in factories and construction, while another large minority of women and older children is employed in short, seasonal, and relatively low-paid jobs at farm labour, cannery work and domestic service. Hence the relatively low average annual earnings of workers in these three bands (i.e. $2048, $1983 and $1413 respectively, as compared to $4554 in Caughnawaga, $4400 in Skidegate, $4400 in Sheshaht and $3529 in Lorette).

There are, likewise, wide variations in rates of unemployment or under-employment among the highest income bands. The high average earnings and long average duration of employment of 9.2 months in Caughnawaga and eight months in Tyendinaga, for instance, tend to obscure the fact that there are significantly large numbers of unemployed or under-employed, as shown in the 17 per cent and 15.4 per cent respectively, of males aged sixteen to sixty-four in these bands who had less than two months employment during the year preceding the survey made in the Resources Questionnaire.

# TABLE XII

## EMPLOYMENT AND EARNINGS AMONG THIRTY-FIVE SAMPLE INDIAN BANDS

| Band | Per Capita Income | Average Months Employment Per Worker | Average Months Employment Per Job | Average Annual Earnings Per Worker | Average Monthly Earnings | Males Aged 16-64 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | % Employed Less Than 2 Months | % Employed Less Than 6 Months | % Employed More Than 9 Months | Participation Rate |
| Skidegate | $1252 | 10.6 | 6.7 | $4642 | $438 | 2.8 | 5.6 | 64.3 | 37.7 |
| Caughnawaga | 793 | 9.2 | 8.2 | 4554 | 495 | 17.0 | 42.5 | 42.6 | 25.6 |
| Walpole Is. | 715 | 6.16 | 5.9 | 2048 | 332.5 | 12.6 | 20.5 | 37.3 | 51.3 |
| Sheshaht | 664 | 10.7 | 10.7 | 4400 | 411 | 6.4 | 11 | 85 | 34.7 |
| Lorette | 630 | 10.5 | 8.7 | 3529 | 336 | 5.7 | 5.7 | 94.3 | 52.3 |
| Squamish | 630 | 8.0 | 8.0 | 3427 | 428 | 9.3 | 29.6 | 51.8 | 38.9 |
| Tyendinaga | 516 | 7.98 | 8.0 | 1413 | 177 | 15.4 | 33.8 | 48.5 | 25.2 |
| Curve Lake | 350 | 7.3 | 3.1 | 2222 | 304 | 22.3 | 60 | 40 | 39.5 |
| Six Nations | 350 | 7.5 | 4.0 | 2660 | 308 | n/a | n/a | n/a | 24.75 |
| Mistassini | 341 | 5.6 | 5.6 | 1853 | 331 | 0 | 62.3 | 10.7 | 39.4 |
| Dog Rib Rae | 332 | 5.67 | | 1546 | 273 | 3.4 | 66.2 | 24.0 | |
| Port Simpson | 325 | 6.9 | 4.35 | 2729 | 395 | 4.3 | 74.0 | 8.7 | 35.4 |
| Kamloops | 314 | 9.5 | | 2037 | 214 | 8.0 | 40.0 | 50.3 | 40.3 |
| Sarcee | 302 | 6.7 | 2.82 | 1354 | 202 | 11.0 | 32.9 | 36.6 | 46.7 |
| Fort William | 298 | 8.1 | 6.45 | 2334 | 288 | 15.0 | 58.3 | 20.0 | 30.4 |
| Williams Lake | 291 | 7.5 | 3.23 | 1708 | 228 | 25.0 | 85.0 | 15.0 | |
| Moose Factory | 284 | 6.24 | | 2256 | 361 | 9.0 | 50.0 | 25.0 | |
| River Desert | 250 | 4.9 | 3.5 | 836 | | 5.0 | 65.0 | 15.0 | 46.3 |
| Attawapiskat | 247 | | | 1400 | | 3.6 | 75.7 | 6.3 | |
| St. Mary's | 249 | 7.27 | 2.3 | 1320 | 181 | 23.1 | 77.0 | 23.1 | 30.8 |
| Pointe Bleue | 222 | 6.2 | 5.6 | 1800 | 290 | 65.0 | 80.0 | 19.4 | 23.2 |
| Tobique | 215 | 10.6 | 3.7 | 2050 | 193 | 30.4 | 98.0 | 2.0 | 20.0 |
| Fond du Lac | 200 | 4.4 | 2.9 | 997 | 126 | 1.6 | 96.7 | 3.3 | |
| Pikangikum | 197 | 6.3 | 3.4 | 779 | 124 | 5.3 | 84.2 | 15.8 | |
| Shubenacadie | 180 | 4.3 | 2.5 | 809 | 201 | 66.67 | 88.0 | 10.75 | 39.3 |
| Oak River | 176 | 3.6 | 3.6 | 770 | 214 | 62.5 | 97.0 | 3.0 | |
| Rupert House | 174 | 3.2 | 2.5 | 810 | 253 | 27.5 | 52.5 | 5.8 | |
| Cold Lake | 165 | | 3.4 | 1840 | | 66.67 | 85.2 | 3.7 | |
| Fort St. John | 161 | 5.0 | 5.0 | 931 | 186 | | 100 | | |

TABLE XII (continued)

| Band | Per Capita Income | Average Months Employment Per Worker | Average Months Employment Per Job | Average Annual Earnings Per Worker | Average Monthly Earnings | Males Aged 16-64 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | % Employed Less Than 2 Months | % Employed Less Than 6 Months | % Employed More Than 9 Months | Participation Rate |
| Deer Lake | $ 156 | 3.6 | 3.5 | | | 40.35 | 87.0 | 11.7 | |
| The Pas | 140 | 6.6 | 6.6 | $1283 | $194 | 9.3 | 32.4 | 49.0 | |
| James Smith | 126 | 6.6 | 3.3 | 1143 | 173 | 50.8 | 80.0 | 13.3 | 23.1 |
| Peguis | 99 | 4.6 | 4.6 | 480 | 104 | 22.0 | 88.5 | 8.0 | 21.7 |
| Big Cove | 61 | 7.0 | 2.75 | 734 | 105 | 42.0 | 80.0 | 10.3 | 35.3 |
| Piapot | 55 | 5.5 | 5.5 | | | 32.2 | 79.0 | 15.5 | |
| Coefficient of Correlation with Per Capita Income | | .60 | .63 | .61 | .77 | -.41 | -.76 | .72 | .26 |

## 6 Rates of Population Growth

The gloomy conclusions of Malthus that population inevitably tends to outrun means of subsistence. tended to be refuted by subsequent developments in the more industrialized countries of the west during the nineteenth and early twentieth centuries In the early stages of economic growth there tended to be an unusually high rate of population increase, due mainly to a higher survival rate made possible by better standards of nutrition and health. With higher per capita incomes in the rapidly developing countries, however, the rate of population increase slowed down, as higher standards of living and rising consumer aspirations induced families to limit their numbers of offspring. Generally, the lower the income level of a class or group in the population, the higher the birth rate and the larger the families. This was the trend from the late nineteenth century until World War II. The trend was reversed after the War, however. During the 1940's and 50's birth rates and the rate of population increase rose sharply, particularly in high income countries such as Canada and the United States (and in these countries, among families in the middle and upper income groups). Since the mid-fifties, birth rates have been declining again.

To what extent have Indian bands followed such cycles, in response to economic growth and contact with White society? Is there evidence to indicate that birth rates have declined, or tended to be lower, in high income, economically developed bands, as compared to the underdeveloped ones?

Generally speaking, up until World War II, despite high birth rates, most bands appear to have been at a margin of subsistence which kept their numbers limited, or even declining, due to checks of disease, accident and such causes. Since World War II they have experienced a phenomenal rate of increase, due mainly to a combination of continued high birth rates, coupled with much higher survival rates made possible by higher real incomes and better health, nutrition and medical services. The natural rate of increase of native Indians in Canada is now approximately double that of the population as a whole in this country.

One broad measure of comparison is the proportion of the population under sixteen years of age. For Canada as a whole, it is about 28 per cent (which, incidentally, is higher than that of any other western or developed country). For Indians in Canada as a whole, it is about 50 per cent, and the percentage in most bands in the sample of thirty-five under study is close to this figure.

There are some significant variations from this general pattern, however, as may be seen in Table XIII below, where there tends to be an inverse correlation between the level of economic development of Indian bands and the percentages of their population under the age of sixteen (as may be seen from Table XIII, there is a statistically significant inverse correlation of -.46 between per capita income of bands and the proportion of their members under the age of 16). Five of the nine most developed bands, namely, Skidegate, Caughnawaga, Lorette, Tyendinaga and Six Nations have a little over 30 per cent of their populations in this age group, while Walpole Island, at 43 per cent is still well below the general average for Indians in Canada. These figures suggest that (with the exception of Skidegate) centuries of contact with White society at various levels, coupled with a high proportion of wage earners in the labour force at relatively high rates of pay, have tended to induce Indians in these bands to adopt White standards of family size. Their situation probably represents a combination of higher survival rates of Indian children in these bands prior to World War II, due to their already higher levels of economic development compared to most other Indians, together with a relatively widespread practice of birth control since the War. (An intensive study of the Six Nations by one author brings out the fact the techniques of birth control are and have been widely known, accepted and practised in that community. Much the same is probably the case with the other four bands mentioned.) Of these five, three are predominantly Protestant in religious affiliation.

The religious factor does not appear to be the dominant one, however, except in particular contexts. Two high income bands with the lowest percentages of population under sixteen are Lorette and Caughnawaga, both predominantly Catholic in affiliation.

## TABLE XIII

## AGE DISTRIBUTION OF BAND POPULATION

| Band | Per Capita Income | Per Cent Under 16 | Per Cent 65 and Over |
|---|---|---|---|
| Skidegate | $1252 | 34.5 | 5.4 |
| Caughnawaga | 793 | 32.1 | 65.9 |
| Walpole Island | 715 | 43 | 7.0 |
| Sheshaht | 664 | 51.7 | 4.9 |
| Lorette | 630 | 32.8 | 10.2 |
| Squamish | 630 | 49.3 | 3.5 |
| Tyendinaga | 516 | 34.1 | 12.1 |
| Curve Lake | 350 | 46.0 | 5.9 |
| Six Nations | 350 | 37.1 | 7.7 |
| Mistassini | 341 | 50.1 | 3.1 |
| Masset | 336 | 47.8 | 4.3 |
| Dog Rib Rae | 332 | 42.4 | 5.8 |
| Port Simpson | 325 | 49.7 | 4.1 |
| Kamloops | 314 | 50.2 | 4.3 |
| Sarcee | 302 | 49.3 | 3.1 |
| Fort William | 298 | 45.0 | 5.2 |
| Williams Lake | 291 | 42.8 | 6.6 |
| Moose Factory | 284 | 49.7 | 6.0 |
| Fort Alexander | 255 | 54.1 | 2.7 |
| River Desert | 250 | 36.1 | 8.8 |
| St. Mary's | 249 | 32.3 | 6.4 |
| Attawapiskat | 247 | 46.6 | 4.8 |
| Pointe Bleue | 222 | 40.7 | 6.1 |
| Tobique | 215 | 44.7 | 4.0 |
| Pikangikum | 197 | 43.4 | 3.5 |
| Shubenacadie | 180 | 43.3 | 5.9 |
| Oak River, Man. | 176 | 50.6 | 3.6 |
| Rupert House | 174 | 50.3 | 3.9 |
| Cold Lake | 165 | 50.9 | 5.0 |
| Fort St. John | 161 | 50.0 | 5.0 |
| Deer Lake, Ont. | 156 | 52.1 | 2.6 |
| The Pas | 140 | 50.1 | 5.1 |
| James Smith | 126 | 52.2 | 4.5 |
| Peguis | 99 | 45.7 | 7.8 |
| Big Cove | 61 | 54.4 | 3.8 |
| Piapot | 55 | 49.4 | 5.1 |
| Coefficient of Correlation with Per Capita Income |  | -.46 | .20 |

On the other hand, two high-income, relatively developed bands, one of which is predominantly Protestant, and the other predominantly Roman Catholic in affiliation, have percentages of their populations close to, or above, the general average for Indians across Canada. Sheshaht, a non-urban band, has 51.7 per cent and Squamish, a highly urbanized band, has 49.3 per cent.

There are two or three possible explanations for this divergent pattern. On the one hand, Lorette and Caughnawaga are among the most urbanized and integrated bands in the country. Lorette, in particular, includes among its members a few wealthy businessmen and a number of professional and white collar workers, as well as skilled and semi-skilled wage earners -- in brief, it represents a rough cross-section of the Quebec City population. Birth rates and average family size probably closely approximate those of the French-speaking Catholic population of the City -- and birth rates and average family size have been falling rapidly in Quebec over the past two decades. A major factor in the case of Caughnawaga is probably the high mobility of its labour force, coupled with its high degree of urbanization.

Members of the Squamish Band in North Vancouver are also predominantly Catholic in their religious affiliations, as pointed out, and equally urbanized in location. THey are less integrated and representative of the city population as a whole, however, in so far as: (1) they are predominantly Roman Catholic in affiliation, in the midst of a predominantly Protestant (or religiously neutral) community; (2) they are specialized in the wage earning class; and (3) their economic development and participation as wage-earners in the urban industrial economy has been achieved more recently than has been the case with the other high income bands in Ontario and Quebec. The same (apart from religious affiliation) would apply to Sheshaht, except for their lesser degree of urbanization, in the broad sense of the term. For these reasons, then, they would tend to be less influenced by the surrounding White society as far as birth control and family size are concerned. Or, again, if a special study could be made, it might be found that Squamish followed a roughly comparable pattern to other Catholic wage-earners in the Vancouver district, especially if these were concentrated as an equally homogenous group in one limited residential area.

Lacking sufficient detailed knowledge about the Maniwaki and St. Mary's Bands, one can only speculate as to the reasons for their relatively slow rates of population growth, as measured by the low percentages under the age of sixteen. One possible explanation may be an unbalance in numbers between the sexes of child-bearing age, that leads to low marriage rates and birth rates. Both bands have a relatively high percentage of their members who reside outside of the reserves, namely 20.5 per cent for Maniwaki and 25.6 per cent for St. Mary's. If this out-migration were concentrated disproportionately among the members of one sex -- particularly females of child-bearing age -- it would tend to slow down the rate of population growth.

The higher income bands also generally have a higher percentage of their populations in the upper age group, over sixty-five, as well as having smaller percentages in the lower age, under sixteen group, than do the lower income bands, though the degree of correlation, as shown in Table XII, is not statistically significant.

The factors operating in this direction are probably much the same in both cases. Generally the higher income bands can afford, or have access to, better nutrition, health and medical care to look after their aged as well as their children.

One general conclusion, from the evidence available, would seem to be that higher proportions of the aged and lower proportions of the young in the population are, in most cases, by-products rather than determinants of economic growth. Such proportions affect the distribution of income and its amount per capita, as stressed earlier. But they do not appear to have any measurable adverse effects upon the work incentives or earning capacities of the band population, which are the prime determinants of economic development.

## CHAPTER VI

## SOCIO-ECONOMIC FACTORS AFFECTING ECONOMIC DEVELOPMENT

The preceding chapter has dealt with primarily economic determinants of differential economic development among Indian bands across the country. This chapter, and the one following, are concerned with forces which, though not primarily economic in motivation or purpose, may be viewed as having more or less important effects upon the levels of economic development achieved by different bands. Somewhat arbitrarily, for purposes of analysis these have been put into two broad categories: namely, socio-economic and socio-cultural.

Included in the socio-economic category are the following: educational levels or attainments; demonstration effect and proximity to urban centres; mobility; and dependence on welfare.

### 1. Educational Levels and Attainments

Perhaps the most widely accepted hypothesis in the great body of research and writing on the subject is that education is becoming an increasingly important priority for economic development. The United Nations' Report on the World Social Situation (New York, 1961) covering several dozen nations ranging from the most to the least developed, found a far higher degree of correlation between economic development and educational levels than for any other single variable (see Report, Chap. 3).

Education is viewed as playing a central role in economic development for two main reasons:

(a) An increasingly long period of formal education and training is required to adjust people to rapidly changing technologies in an increasingly complex society. A disproportionate number of the displaced and unemployed, we are told, are concentrated in the ranks of the unskilled and under-educated, as the general skill levels required of labour in modern industry are raised.

(b) Fully as important as the actual technical or intellectual content of the courses offered are the work habits and motivations which the educational system attempts to instil in people at an impressionable age. A difficult problem of industrialization lies in the inculcation of work habits regulated by the clock and the weekly calendar, the acceptance of steady (and often monotonous) time schedules and routines, of submission to authority, and other requirements of employment in modern industrial and commercial enterprises.

Education, in the broad sense, is considered crucially important for the economic development of Indians in Canada, for several reasons:

(a) Their present educational levels or attainments in most regions are generally far below those of most other Canadians.

(b) A disproportionately large number of able bodied Indians of working age are unemployed or under-employed, and a disproportionate number of the employed are concentrated in low-income resource industries and in unskilled jobs. To facilitate the transfer of large numbers of these into more skilled or better paid fields of employment having the most favourable prospects of expansion, will require an extensive, and intensive, program of education, training and conditioning of Indian workers.

(c) Most important of all is the fact that approximately one-half of the Indian population, as compared to less than one-third of Canadians generally, are less than sixteen years of age. Most Indian bands have far higher birth rates than Whites, and comparatively even higher mortality rates for infants and children. These latter rates, however, have been dropping fairly rapidly since World War II. It seems likely, therefore, that the proportion of the Indian population in the under sixteen age group will continue to grow in the foreseeable future. Allowing for this age group at one end, coupled with the 5-7 per cent over sixty-five years of age, as well as other groups of working age (i.e. sixteen to sixty-five) who are unable to work due to physical or mental incapacity or to family responsibilities (e.g. widows and unmarried mothers), only a fraction of the Indian population -- probably one-quarter to one-third -- could be deemed available actually or potentially, for productive employment. A viable economic development program for Indians during the foreseeable future, therefore, will have to focus, not so much on employing, re-employing or redirecting the employment of Indians now of working age, as on educating, training and preparing for work, young Indians who will be reaching working age in rapidly increasing numbers over the years ahead.

Education, in brief, is deemed to play a crucial role in the economic development of Indians and in their integration into the larger Canadian society. Over the past decade or more, as compared to previous years, the Indian Affairs Branch has been carrying out a far larger, more comprehensive and varied educational and training program on behalf of Indians, and education now accounts for the largest single item on the Indian Affairs Branch's annual budget.

In view of the above, therefore, one would expect that among Indian bands, there would be a high degree of correlation between educational levels and per capita real incomes, and that those bands with the highest educational standards would also enjoy, on the average, the highest occupational achievements and income levels -- as was found in the U.N. Survey referred to above.

From the evidence available in the present study, this hypothesis seems generally valid, though the degree of correlation is lower than one would expect. Among the most economically depressed bands are the isolated ones in which the majority of adults are illiterate and unschooled, with a limited command of English or French, while some of the most advanced, high-income bands, such as Lorette and Skidegate, have a significant minority of individuals with relatively high levels of educational achievement. Between these broad extremes, however, the relationship is far from clear.

Here the question of definition is important in attempting to measure the correlation between education and economic development, and even more in attempting to formulate policy.

(a) What is the best measure of the educational level or attainment of a band? Should it be measured in terms of the proportion of all band members who have completed grade school or high school? Or should it be measured in terms of the minority who have taken post-secondary or university education? The two do not necessarily go together. For instance, as may be seen in Table XIV below (based on a special survey by the Education Division of the Indian Affairs Branch), a larger percentage of the Caughnawaga population than of the Six Nations has a formal education beyond the level of Grade IX, yet the Six Nations has a far higher percentage who have attended, or graduated from, university (and several of their graduates have achieved notable prestige in a number of professions).

## TABLE XIV

## EDUCATIONAL LEVELS OF BAND POPULATIONS

| Band | Per Capita Income | Per Cent Aged 16 and Over in School | Per Cent of Population Educated Past Grade IX |
|---|---|---|---|
| Skidegate | $1252 | | |
| Caughnawaga | 793 | 3.45 | 4.7 |
| Walpole Island | 715 | 3.92 | 2.9 |
| Sheshaht | 664 | 3.95 | 3.6 |
| Lorette | 630 | 4.24 | 7.0 |
| Squamish | 630 | 3.36 | 3.9 |
| Tyendinaga | 516 | 3.89 | 2.4 |
| Curve Lake | 350 | 6.78 | 2.2 |
| Six Nations | 350 | 7.63 | 2.8 |
| Mistassini | 341 | 3.20 | 2.2 |
| Masset | 336 | | |
| Dog Rib Rae | 332 | | |
| Port Simpson | 325 | 3.20 | 2.9 |
| Kamloops | 314 | 2.87 | 1.9 |
| Sarcee | 302 | 5.48 | 1.6 |
| Fort William | 298 | 5.35 | 3.8 |
| Williams Lake | 291 | 6.10 | 7.1 |
| Moose Factory | 284 | 4.71 | 1.8 |
| Fort Alexander | 255 | | |
| River Desert | 250 | 2.90 | 1.8 |
| St. Mary's (B.C.) | 249 | 4.28 | 3.4 |
| Attawapiskat | 247 | 3.27 | 2.1 |
| Pointe Bleue | 222 | 6.12 | 5.3 |
| Tobique | 215 | 7.66 | 3.5 |
| Pikangikum | 197 | .88 | 0 |
| Shubenacadie | 180 | 3.24 | .8 |
| Oak River | 176 | | |
| Rupert House | 174 | 4.51 | 1.8 |
| Cold Lake | 165 | 2.78 | 3.7 |
| Fort St. John | 161 | .73 | 0 |
| Deer Lake, Ont. | 156 | | |
| The Pas | 140 | 1.79 | 0 |
| James Smith | 126 | 5.40 | 3.1 |
| Peguis | 99 | 2.25 | 4.0 |
| Big Cove | 61 | 3.25 | 1.3 |
| Piapot | 55 | | |
| Coefficient of Correlation with Per Capita Income | | .002 | .47 |

On the other hand, the Six Nations Band has more than twice as large a proportion of its population over sixteen attending schools of one kind or another, than has Caughnawaga. (Indeed, in this latter category, as one of the highest income bands, Caughnawaga has lower percentages than a number of low-income bands such as Tobique, Rupert House and James Smith.)

Again, how is one to compare technical or vocational training, or on-the-job training with formal education? While the evidence on this point is not conclusive as yet, it appears that a number of Indian bands along the Northern Coast of British Columbia have a higher percentage of their adult populations who have taken, or are taking, technical or vocational training courses, as well as a higher proportion of university students and graduates, than the Squamish Band in Greater Vancouver.

How precisely, and in what detail, should one attempt to correlate education with economic development (particularly if defined in terms of per capita real income from gainful employment)? In White society there is far from a positive correlation. For instance, the most highly educated members, college professors, have lower incomes than members of some other business or professional groups having less rigorous educational requirements Or, at lower levels of educational achievement, white collar clerical or office workers generally have lower incomes than manual workers who have had fewer years of high school or vocational training. Obviously, even in such an income-oriented society as that of English-speaking Canada, non-monetary incentives are as important, or in some cases more important, than the monetary ones, in the recruitment and motivation of various occupational groups.

The Indians may well be less imbued with the particular non-monetary status-striving motivations peculiar to the White culture. The role of education in their economic development, generally, and individual success in particular, therefore, may be even less precisely definable than in the larger society.

Table XIV above, uses two very rough indices of comparative educational levels; namely, (1) percentage of the population over sixteen still enrolled in schools, and (2) percentage of the total population with an education beyond Grade IX, among a representative sample of thirty-five bands ranked according to per capita real income from gainful employment. As may be seen from the table, there is no meaningful correlation (beyond that of a random sample -- i.e. .002) between the per capita incomes of band members and (1) above. And there is only a limited (though statistically significant degree (.47) of correlation with (2) -- (i.e. proportion of population educated past Grade IX).

There are a number of possible explanations for this limited degree of correlation between economic development and educational standards.

(a) One explanation may lie in certain limitations in data and in statistical techniques.

(1) First and most important, perhaps, is the fact that the data in Table XIV apply only to resident members of the bands. It was found impossible to obtain reliable data on the educational achievements of non-residents. If such data were available, they would probably show a higher degree of correlation for both measures of educational standards -- i.e. percentage over sixteen attending school, and percentage of population having more than a Grade IX education. For, as noted elsewhere, a high proportion of Indians, perhaps a majority, who graduate from high school or who take vocational or technical training at the secondary or post-secondary levels, leave their reserves and become permanently established elsewhere. And, from the limited knowledge available about them, they generally earn higher incomes than their fellow band members who continue to reside in their home communities. Indeed, the provision of such education and training on a larger scale would appear to be one of the most vital measures for supporting those who wish to leave reserve communities in which the populations have outrun locally available resources and job opportunities.

(2) The degree of correlation between economic development and education at the Grade IX level or over may also be underestimated because the latter applies to the entire resident band population in each case, and not just to those of working age. A Grade IX or higher education would probably (but not necessarily, for reasons explained below) show a higher degree of correlation with average earnings of adults (i.e. sixteen and over). The figures in Table XIV do, however, provide one rough index of the value that different communities put on education: that is, the degree to which children as well as adults in bands at different income levels are educated to the Grade IX or higher level in school.

(3) The absence of any correlation between average income and proportion of population sixteen years of age and over in school seems more difficult to explain. Absence of data regarding non-resident band members is one limiting factor, as noted, but even

if available it is doubtful whether the degree of correlation would be significant.

It is also possible that attendance at school at age sixteen or over tells us little about the quality of education received, or the level of education attained. The figures apply only to residents of each reserve community. For reasons explained earlier, in many bands (particularly those in areas lacking high schools or vocational training institutes) most of those attending school at sixteen or over would be non-residents. Or, again, in some of the more depressed bands suffering from serious unemployment, a high proportion of Indian students may be kept in school at sixteen or over, even if their educational motivations and attainments are low because job opportunities are lacking and there is, in effect, nothing else for young people to do. By contrast, some bands located in areas where there are manifold job opportunities for Indians at relatively high rates of pay may experience high drop-out rates among their teenage members.

(4) Another essential limitation is that data on incomes available in this study are essentially static. The ranking of bands according to per capita real incomes is for the year 1964 (and in a few cases 1965). Comparable data for earlier periods are not available, so no analysis can be made of income changes or trends for each band over a period of ten years or so. In some high income bands a high proportion of adults specialize in jobs of a kind that are vulnerable to sharp cyclical fluctuations in employment and earnings (as in logging and construction work, for instance). Ideally, a more adequate measure of the relationships between education and earnings among Indian bands would require correlating improvements in educational standards with improvements in earnings over an extended period of time. A really adequate measure, indeed, would require a correlation of lifetime earnings of individual Indians (or averages for each band) with different educational standards achieved. For high income occupations requiring lengthy education and training generally have low starting rates of pay, lower than do semi-skilled or skilled manual jobs with limited formal educational requirements.

(b) While the data on this question are fragmentary and would require a series of fairly detailed biographies, many or even most of the Indians who have achieved positions of comparative wealth and business success -- as proprietors in farming, fishing, and commercial or industrial enterprises -- appear to have had less than the average education. They have followed, rather, the pattern of traditional entrepreneurship, depending on individual qualities of hard work, abstinence, shrewdness, business acumen, etc. The more highly educated Indians, on the other hand, as pointed out earlier, have tended to be in relatively low-paid professions such as teaching, social work or the civil service, or to be in such professions as law, in which their lack of contact, acceptance and knowledge of the ways of the Establishment keep them in the lower-paid fringe.[1]

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[1] While the following example is too limited to draw any very broad conclusions, it may be typical of several bands in different parts of the country. Three Indian university students who are now established in professional positions came from three different fishing villages in British Columbia, two of them from families of modest means, with fathers the owner-operators of gillnetting boats. The third came from a broken family at the bottom of the social scale. All three are of the view that the most substantial men in their villages -- the owners of seine boats worth tens of thousands of dollars -- belittle the value of education, using their own limited education by way of example. Their sons, according to these informants, are indifferent students and have a high drop-out rate. They maintain that in this sort of Indian community with sharp differences in wealth and income, it is children from the middle class group or, occasionally, from the most disadvantaged deviant families, who are likely to be the most highly motivated in school.

(c) On the more general level, as brought out in the preceding section, the evidence available indicates that the most important single determinant of a band's economic development is the proportion of its members employed in relatively well-paid manual jobs which have low, or limited, educational requirements. Two of the highest income bands, as noted frequently above, are the Squamish and the Caughnawaga, both located within the environs of major metropolitan areas, providing easy access to the best educational institutions (including universities) within their respective regions. Yet few members of either band are university graduates, and so far there are few that have attended university. Proximity and demonstration effect have not yet operated as motivating forces with effect on development in these cases.

Undoubtedly, part of the answer lies in certain inadequacies in the primary and secondary levels of schooling in previous years. More important, however, would appear to be the main occupational bases of the adult members of these bands, and the attitudes and values that these generate. They appear to impose a certain ceiling of aspirations on the children and teenagers (especially male) of these communities, which in turn affects their attitudes towards, and achievements in, the formal educational system.

On this point, such highly urbanized bands as the Squamish and Caughnawaga appear to have much in common with predominantly working-class suburbs of our major cities and towns. This has some important implications for policies or programs designed to encourage integration of Indians with White society, and the role of education in any such integration program. For the key questions, as pointed out earlier in this Report, are: for what patterns of employment, specialization or diversification, and at what levels of participation in the larger White society should educational programs for Indians be designed?

Specifically, what is suggested is this: In a community in which the majority (or substantial core) of adult male members are employed in relatively well-paid jobs, having limited educational requirements, these establish the basic style of life and also the ceiling of aspirations, for the majority of young people due to enter the labour force in the near future. Particularly where an occupation has elements of risk, excitement and glamour, and a he-man role -- as does the high steel construction work of the Caughnawagas, and to a lesser extent, the longshoring jobs of the Squamish, and the logging jobs of Sheshaht and other bands in British Columbia -- it becomes the model or the main expectation of young males, the type of job that fathers, uncles and older brothers do. Formal education at the high school or post-high school level is viewed as having little or no positive role to play in this career orientation.

By comparison, a relatively developed community (Indian or White) in which the adult males are engaged in a greater diversity of work, such as proprietors of farms, fishing vessels and small businesses, as well as factory or office work, is likely to generate stronger incentives towards education and training. Many Indians -- like many Whites -- are being displaced from primary industries such as farming and fishing, owing to rapid technological change and the trend towards larger scale operations. Clerical and factory workers are more directly influenced by such changes. Both groups are more likely, therefore, to attribute lack of success on their part to deficiencies in education or training, and to stress in conversation the importance of education as a requirement for economic survival.

(d) Another possible factor to explain the fact that some bands located within easy access of large urban communities fail to take advantage of them for their own advancement, is that such access also offers too many competing attractions. For instance, superintendents' reports and other data indicate a high drop-out rate among Indian students of the Sarcee Band on the outskirts of Calgary, even though this band's location, as well as its sizable band funds and revenues, provide it with advantages for achieving a superior level of economic and educational development.

(e) Another factor that can strongly influence the educational motivations and attainments as well as the economic development of an Indian band is the degree of difference in status between its members and residents of the adjoining or nearby White community. This can have a strong effect on Indians and Whites alike.

## Conclusions and Qualifications

One limitation in this study is that the data available in this research survey probably underrate the effect of education on economic development, because it focusses on the community rather than the individual. An increasing number of Indians have graduated from high school or taken post-high training and permanently left their home reserves.

Another limitation is that, in the nature of the case, it is too early to be able to measure the full impact of education upon economic development. It is scarcely more than fifteen years since the Indian Affairs Branch began its program for the integration of Indian pupils in White schools, and to improve the quality as well as the amount of education that Indians receive. Most adult Indians received what limited education they now have prior to this period, when there were serious shortcomings in the educational facilities available to them, while the younger adults have not had time, as yet, to enjoy the full benefits in earnings from the improved educations that they've received.

Finally, it is possible that to some extent the apparent lack of a more direct connection or higher correlation between the levels of education and of economic development achieved by various Indian band communities may be due to continued shortcomings in overall policy. The program for integrated education of Indian children in many cases may be doomed to failure unless it is accompanied by equally ambitious programs on other fronts -- housing, community development, infrastructure, and economic growth generally.

## 2. Demonstration Effect and Proximity to Urban Centres

The orthodox economic viewpoint as noted at the beginning of this study is that people are naturally motivated to want more than they have and will exert themselves to get it wherever they have the opportunity. They are limited only by their means.

The more sophisticated view today is that the intensity of wants of a people depends on cultural contact, including the demonstration effect of seeing and experiencing a higher standard of consumption among more economically developed people.

According to this view, Indian bands living in close proximity to more developed White communities should have correspondingly more developed consumer tastes, especially for expensive durable goods or services that involve long-term saving or debt commitments (e.g. homes, automobiles, university education). These, in turn, should induce Indians to seek and hold steady well-paying jobs and to save and accumulate capital to develop their resources more effectively.

One might expect, therefore, that most members of Indian bands located in close proximity to White communities would be so motivated and economically more advanced than those located at some distance from them. Indeed, one might postulate a rank order of bands in terms of the sizes and types of White communities to which they have easiest access, major metropolitan centre, satellite city or suburb, small commercial centre, small industrial centre, village, and farm community, in descending order. The larger and more complex the community, the wider the choice of goods and services (as well as types of job opportunities) the greater the demonstration effect and motivation, and so on.

This, again, is a variable factor that would be difficult to quantify and measure with any degree of accuracy, as no statistics have been compiled on the subject. These would probably be redundant in any case, for on inspection there appears to be little, if any, correlation between the comparative economic development of bands and their relative proximity to urban centres of various types and sizes, except, again, at the extremes. The more isolated bands in the northern belt and some of the more isolated rural bands in the Prairies are among the least developed, and their members probably have the lowest standards of living or levels of consumer aspiration. By contrast, as shown in Table VIII earlier (in the section dealing with infrastructure) most of the highest income, most economically developed bands in the sample studied are located in or near large metropolitan centres or industrial towns, and generally show the highest percentages of households with electricity, running water, indoor baths and toilets, telephones and automobiles.

Such communities, however, appear to be in the minority. Among the highest-income and most developed bands, economically and educationally, are several which are located at considerable distances from urban centres. Among the most depressed Indian bands are some located in or near White urban communities, including large metropolitan centres as well as notably prosperous and expanding business or industrial towns that would seem to offer manifold job opportunities. For various reasons the members of such bands have failed to participate effectively in the surrounding economic activity. Among such reasons are the following:

(a) Modern improvements in transportation and communication have tended to reduce the importance of physical distance, or proximity, as factors determining the frequency of intensity of contact and demonstration effect. A great distance, in terms of miles, may mean little in terms of time and effort where there are automobiles and good roads, or chartered plane flights and the means to pay for them. Advertising by means of radio, television, mail-order catalogues or magazines can create as much desire for various commodities as does actual window shopping. The main distance facing most Indians and the main barriers that prevent them functioning effectively in the national economy, are essentially social rather than physical in character.

(b) Most large urban areas have a dependent White minority containing a familiar hard core of the social casework loads. As pointed out by various authorities, individuals in such groups are not motivated by the same incentives or to the same degree as are most members of the working and middle class. The urban poor constitute a self-perpetuating sub-cultural group with its own system of rewards and satisfactions in which durable consumer goods, education and higher status do not function as economically motivating forces. Indians frequently tend to integrate with White society at this level and thus tend to perpetuate low subsistence standards that have grown up in reserve life.

(c) Again, even in the same metropolitan community, different Indian bands may react differently, or be motivated in quite different degrees.

Here the crucial variable would seem to be the groups in the White community with whom Indians participate, or fail to participate, effectively. For instance, in the Vancouver area, members of the Squamish Band at one time were concentrated in fishing, cannery labour and casual longshoring. In recent decades, they have become displaced from fishing and cannery labour to a large extent, while longshoring has been decasualized. A sizable core of adult workers has become regularly employed, well paid workers on the docks and to a lesser extent in logging operations, sawmills and other industrial establishments, and appears to maintain relatively high standards of consumption. Their houses, cars and other appurtenances appear to be of nearly equal quality with White middle-income neighbours. Members of the Musqueam Band, by contrast, have remained concentrated in the ranks of casual labour and a much larger proportion than in Squamish are dependent on relief. Unlike Squamish, the Musqueam Reserve is located on the outskirts of a prosperous high-income or upper middle class community. Children of both groups in the area, White and Indian, largely attended the same schools. However, the gap in incomes and living standards between the two groups appears to be too large and thus perhaps fails to have sufficient demonstration effect on Indian motivations with regard to work habits and behaviour patterns as well as education.

These cases perhaps raise some important points regarding the integration and motivation of Indians. In some cases Indians appear to be more economically motivated and participate jointly with Whites to a greater extent in less developed communities, where White standards in income, consumption and schooling are not too high in relation to the Indians, so that the latter can feel confident of being able to compete on an equal basis. The Pemberton Valley, some sixty miles northeast of Vancouver, again seems a good example of this process. Both groups, Whites and Indians, have been abandoning farming and turning increasingly to logging and construction work. To an increasing extent, they are employed on the same projects. Educational standards are generally low for both groups. A small core of residents, both White and Indian, has made a determined effort to improve educational standards and encourage greater participation of both groups in various social activities. While employment opportunities are rather limited for both groups, and there is usually a body of under-employed Whites as well as Indians, increasing numbers of Indians have become steady, well-paid skilled or semi-skilled employees, as well as completing their high school educations and pursuing careers elsewhere.

## 3. Mobility

It is a basic tenet of economics that greater mobility of the labour force contributes to increased efficiency and higher per capita income over the economy as a whole. Logically, it should apply to individual Indian bands as well. If a high proportion of band members were willing and able to leave their reserves for more or less long distances and extended periods of time, they would be better able to take advantage of outside job opportunities and move into better paid types of employment, while at the same time reducing the pressure of population on resources and job opportunities in or near their own communities.

Generally, the findings in this research survey from the evidence that is available seem to indicate that there is a high degree of correlation between mobility and economic development, as measured by per capita real income from gainful employment. As one sort of indication, for instance, correspondence among officials at different levels within the Indian Affairs Branch throughout the country indicates that there is a pronounced cyclical pattern of mobility among Indians. During periods of expansion when new job openings are available to them, increasing numbers leave their reserves for varying periods of time. In periods of recession and unemployment, as during 1957-58 and again in 1960-61, more or less large numbers of them return to their reserve communities because of displacement and unemployment. In the past four years of rapid and uninterrupted expansion in British Columbia, for instance, the percentages of band members residing off their reserves rose as follows, year by year as of January 1st: 1962--14.2 per cent; 1963--15.8 per cent; 1964--18.7 per cent; 1965--22.4 per cent. As of 1965 there were some 400 fewer Indians on reserves than there were in 1961, despite an increase in total Indian population of more than 3,500 in the province.

It is appropriate at this point to define different types or patterns of mobility, to analyse more precisely in what respects they may be viewed as favouring, or discouraging, the economic development of a band.

(1) Among the most depressed Indian bands are those whose members have lost their mobility. The outstanding case, of course, comprises the dozens of bands across the whole northern belt of the country who formerly engaged in hunting, fishing and trapping economies with their high requirements of seasonal movement. As noted earlier, a combination of low fur prices, rapid population increase and depletion of resources in some areas, coupled with changes in educational and welfare policies of the Indian Affairs Branch, have led increasing numbers to abandon their former means of livelihood, reside permanently in or near the band community and depend increasingly on relief.

(2) Daily commuting to work. Generally, as noted earlier, there is a positive correlation between average per capita real income and the proportion of band members employed in wage or salaried work outside the reserve. This is particularly true of some bands located in or near urban or industrial operations in which steady, year-round jobs, or regular employment in well-paid seasonal jobs, are available within commuting distance of their reserves.

(3) Working and living away from the reserve for weeks or months at a time. Among different bands, we find a mixed picture in this regard.

(a) Some bands with a high mobility of this type have low per capita incomes because many of their members are employed in low-paid casual types of labour. Among these, as noted, are those engaged in such work as sugar beet labour in South Alberta, wild rice harvesting in Southeastern Manitoba, and tobacco field labour and fruit picking in Southern Ontario.

(b) Other bands in this category would be classed as relatively high-income groups because many of their members are employed in high-paid seasonal work that requires their leaving the reserve for extended periods (e.g. steel construction of the Caughnawagas, logging and fishing among the Skidegate, Nimpkish, and numerous other bands on the West Coast, and clearing and construction work among numerous bands in virtually all provinces).

(4) Permanent residence off the reserve. The line between this and the preceding category, of course, is hard to draw. It is largely a matter of process and degree. One familiar sequence, for instance, is that of individual Indians who have to leave their families for weeks or months at a time, to get and keep jobs in areas too distant from their home reserves to be able to make regular visits home except at an exorbitant cost for transportation. This sort of situation, of course, tends to create anxiety and tension, and partly accounts for the high turnover. Where the pay and working conditions are satisfactory, or at least superior to anything available within commuting distance of the home reserves -- and where adequate housing accommodation is available, Indian workers frequently bring their families with them and leave the reserve permanently (or, alternatively, in some cases, they may desert their families, as happens not infrequently among Whites). In times of recession and layoffs, as noted earlier, many such workers and their families tend to return to their home communities.

Permanent residence away from the reserve is more pronounced among the skilled and educated minority, where home reserves are too distant from the urban centres in which they receive their training and in which their main opportunities for employment are concentrated. While lacking definite statistics, most of the available evidence seems to indicate that very few Indians from more isolated bands in Northern Ontario, Manitoba, or British Columbia who (with the assistance of the Indian Affairs Branch) receive high school or vocational school training in Toronto, Winnipeg or Vancouver, ever return to their home reserves, except for brief visits.

It might be thought, in this connection, that such mobility would have adverse effects on the development potential of numerous Indian bands, for the net result might tend to be to drain the community of its most able, enterprising and productive members. From what evidence is available, however, this does not seem to be the case. Table XV below presents statistics concerning the percentage of the population residing outside their reserve communities for each band, and the average annual earnings from employment of non-residents as compared with resident, for thirty-six bands in the sample studied. The percentage of non-residents to total population is generally larger for the high-income than for low-income bands. There are notable exceptions among both income groups, of course. The percentage of non-residents is relatively low for two high-income bands -- i.e. Sheshaht (13.2 per cent) and Squamish (9.9 per cent) -- largely because the working residents of these bands are able to find well-paid employment within commuting distance of their reserves. Some relatively low-income bands, on the other hand, show a high rate of non-residence; notably Shubenacadie, Nova Scotia (41.6 per cent).

This is to be explained mainly by the large proportions of band members who have emigrated to the United States to take advantage of superior employment opportunities, while employment opportunities and rates of pay remain inadequate for those who have stayed in their reserve communities.[1]

That non-resident band members in the majority of cases gain economically from their mobility seems indicated by the second column of figures in Table XV, showing, in percentage terms, average annual earnings of non-residents compared with residents in each band. Non-residents' earnings, on the average, exceed those of residents in seventeen bands; in three they are estimated to be the same; in seven they are less than those of residents; and in nine the earnings of non-residents are unknown. The superior earnings of non-residents are particularly striking among a number of low-income bands in the Prairies in which farming and casual farm labour are the main sources of employment; e.g. Piapot and James Smith, Saskatchewan (300 per cent); Peguis (200+ per cent); and Oak River (250 per cent) in Manitoba. The 300 per cent figure for Sheshaht represents a handful of specially skilled and highly paid workers in a small band having only 50 family units.

(5) So far most of the discussion has concerned the reversible mobility of male workers or family groups. Another very significant type of mobility among the Indians, however, is that of individuals, particularly females, who move permanently into White society. In many, perhaps most bands, the girls study in school longer than the boys and acquire training that better fits them for outside jobs, particularly as nurses' aides, office or clerical workers, and occasionally teachers and social workers. They are employed mainly in urban communities and frequently marry White men. This migration tends to leave an imbalance between the sexes of marriageable age in the home bands. The surplus of males of marriageable age, in turn, probably encourages greater numbers of men to leave their home reserves permanently to find work elsewhere.

This pattern would apply primarily to bands in farming and primary industrial areas that are beyond commuting distance from sizable cities and towns. In the more isolated hunting and trapping bands in the north, the movement of Indian women out of the reserves to live with Whites does not necessarily improve the economic status of the community. In many, perhaps most, cases the Whites are of a lower economic status and inter-marriage under such circumstances has given rise to numbers living on the outskirts of reserves under equally or more depressed conditions than the residents of the reserves.

There may be two or three other situations in which out-migration does not contribute to economic advancement of the individual or of the band:

(i) Where resources in the band community are more than adequate to support the populations at higher levels of income if used more fully and effectively and where mobility might prevent such utilization. (This may be the case with a few of such well-endowed bands as the Blood and Sarcee in Alberta.)

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[1] In comparing rates of mobility, four bands (i.e. Dog Rib Rae, Attawapiskat, Pikangikum and Deer Lake) should perhaps be omitted from the discussion because "percentage residing off reserves" is not in itself a reliable index of mobility. In these cases, and numerous other bands across the northern wooded belt, a large proportion -- and in some cases all -- of the band members reside on Crown lands acquired by the Indian Affairs Branch on their behalf, and their communities comprise, in effect, new reserves.

(ii) Where mobility is basically non-economic in motivation and in results (e.g. the hundreds of Indians in British Columbia who go berrypicking a few weeks each year in Northern Washington, frequently at the expense of more remunerative employment in farming or logging closer to their home bases).

(iii) Where there is a migration to cities and towns of Indians who are unskilled and unprepared for urban life. A large but unknown number has ended up becoming permanently unemployed and dependent on social welfare, or on Skid Road.

Mobility, finally, should be expected to encourage greater participation of Indians in the social as well as economic sense in White society. Again, however, this is not always the case. Some patterns of mobility may tend to keep Indians in a distinct and separate status as a group (e.g. the annual migration of Indians for sugar beet work in Southern Alberta and Saskatchewan, and in British Columbia for berrypicking, fishing and cannery labour). Or, again, the continuous mobility of the Caughnawagas required by the very nature of their specialized high steel construction work perhaps prevents them establishing firm roots in outside White communities, and reinforces their much publicized determination to survive as a distinct social group.

It seems safe to conclude, however, that high rates of mobility and out-migration from reserves are major factors contributing to the economic advancement of most Indian bands in Canada. Indeed, there seem to be good grounds for concluding that in most bands expenditures of money, time and personnel for training and conditioning Indians to migrate from their reserves, and providing them with the facilities for resettlement elsewhere, would contribute more to their economic advancement than equivalent expenditures devoted to community and resource development within or adjacent to their reserves. The two policies are not mutually exclusive, of course. What is suggested is greater emphasis on the former than has been the case hitherto, to achieve a better balanced program.

## 4. Dependence on Welfare

Among the most strongly diverging viewpoints concerning economic development are those centred around the role and effect of welfare expenditures, in the broad sense of the term.

The conservative or traditionalist economic view, as outlined earlier, is that the accumulation of capital needed for development requires saving, which in turn means restricting levels of consumption (including government welfare expenditures paid out of taxes). Proponents of traditional free enterprise philosophy maintain that, spending too much on non-productive, non-revenue-producing welfare services and facilities, discourages expansion of the productive, revenue-producing sectors of the economy.

But there is a growing body of thought that stresses the need for balanced economic and social development. For one thing, rapid economic development often has disruptive effects that involve high social (and in the long run economic) costs (e.g. the social problems that accompany the launching of a major new industry, with the influx of large numbers of transients into a hitherto stable, tradition-bound community). Beyond this, there is growing emphasis on the economics of human investment (i.e. expenditures on health and welfare, as well as educational services and facilities) as against investment purely in capital goods, as a necessary accompaniment of and stimulus to economic development. To the degree that such expenditures serve to improve the health, morale and efficiency of the people, they should stimulate economic growth.

Perhaps the most common charge levelled against the Indian Affairs Branch (and the critics include many people within the Branch itself) is that its welfare policies since the War have tended to lower the initiative of Indians and thus impede their economic development. In one broad sense this charge seems justified. Dozens of bands across Northern Canada who up until recently supported themselves at a meagre subsistence level in hunting, trapping and fishing economies, have now forsaken their traditional activities and become almost entirely dependent upon government welfare and relief. The problem is compounded by the

## TABLE XV

## MOBILITY AND EARNINGS

| Band | Per Capita Income | % Population Residing Off Reserve | Average Earnings Non-Residents, % of Residents | Religious Affiliation (1959 Census) % |
|---|---|---|---|---|
| Skidegate | $1252 | 18.0 | 86 | 100% UC |
| Caughnawaga | 793 | 27.11 | 150 | 84% RC |
| Walpole Island | 715 | 19.3 | 82.2 | 70% AC, 22% UC |
| Sheshaht | 664 | 13.2 | 298 | 97% UC |
| Lorette | 630 | 41.8 | n/a | 100% RC |
| Squamish | 630 | 9.9 | 100 | 97% RC |
| Tyendinaga | 516 | 53.8 | 160 | 40% AC, 56% not stated |
| Curve Lake | 350 | 26.3 | 136 | 98.5% UC |
| Six Nations | 350 | 39.8 | n/a | 34% AC, 30% Bap.<br>19% LH |
| Mistassini | 341 | 20.0 | 31.4 | Over 90% AC |
| Masset | 336 | 24.7 | n/a | 99% AC |
| *Dog Rib Rae | 332 | 100.0 (Nomadic) | n/a | 98% RC |
| Port Simpson | 325 | 33.0 | n/a | 99% UC |
| Kamloops | 314 | 20.7 | n/a | 100% RC |
| Sarcee | 302 | 5.4 | n/a | 52% RC, 48% AC |
| Fort William | 298 | 24.5 | 78.4 | 100% RC |
| Williams Lake | 291 | 11.0 | 172 | 100% RC |
| Moose Factory | 284 | 19.4 | n/a | 98% AC |
| Fort Alexander | 255 | 17.7 | 100.5 | 73% RC, 27% AC |
| River Desert | 250 | 20.5 | 200 | 90% RC |
| St. Mary's | 249 | 25.6 | 125 | 100% RC |
| *Attawapiskat | 247 | 48.3 | n/a | 94% RC |
| Pointe Bleue | 222 | 23.2 | 189 | 99% RC |
| Tobique | 215 | 29.6 | 92 | 100% RC |
| *Pikangikum | 197 | 29.1 | 112 | 75% UC, 19% RC |
| Shubenacadie | 180 | 41.6 | n/a | 100% RC |
| Oak River, Man. | 176 | 2.3 | 268 | 71% AC, 29% RC |
| *Rupert House | 174 | 10.7 | n/a | 100% AC |
| Cold Lake | 165 | 13.4 | 129 | 97% RC |
| Fort St. John | 161 | 15.5 | 120 | 92% RC |
| Deer Lake, Ont. | 156 | 31.0 | 132 | 67% UC, 30% RC |
| The Pas | 140 | 8.8 | n/a | 100% AC |
| James Smith | 126 | 3.75 | 300 | 95% AC |
| Peguis | 99 | 8.0 | 167 | 90% AC |
| Big Cove | 61 | 18.4 | n/a | 100% RC |
| Piapot | 55 | 13.0 | 779 | 93% RC |

* - Entirely Crown Land

RC - Roman Catholic AC - Anglican
UC - United LH - Long House

**fact that better health and nutrition, due to government expenditures, as compared with the old subsistence economies, have sharply reduced the death rate and led to the familiar population explosion.**

**Much the same has occurred among depressed Indian bands in the Maritimes and the Prairies. In many such communities, prior to the War, most band members depended upon marginal farming and low-paid casual jobs of short duration, supplemented by meagre relief handouts.**

**Such cases should not simply be accepted as proof that welfare expenditures discourage development, however. Several points would seem to modify or refute that conclusion. First, there is nothing to indicate that Indian**

communities were more economically developed prior to the adoption of a more liberal welfare program. The subsistence economies in the northern belt based on hunting, trapping and fishing were static and undeveloped, and most Indians would probably have been displaced from these activities in any case owing to technological change, substitutes for fur, low fur prices, development of new transportation facilities and industries resulting in the influx of Whites, depletion of resources, etc. Second, improved welfare was probably unavoidable in any case regardless of possible deterring effects economically, for there is a moral necessity to provide minimum subsistence and health services to all the population. Third, if a balance of new job opportunities were made available, and if Indians could be motivated to make full use of such opportunities, in the aggregate they probably would be found to be more employable than before, by reason of their improved levels of nutrition and health, made possible by the more liberal welfare services available to them since the War, than they would have been had such services not been provided.

Fourth, the more valid criticism is not that against welfare as such, but rather against the lack of a balanced program for economic and social development. With the wisdom of hindsight, we can now see that it would have been better to have launched an ambitious program of economic and community development in the broadest sense among Indians, with welfare as only one part of the program. This imbalance is not peculiar to the Indian Affairs Branch. On a world scale some of the main problems of economic development have arisen from the fact that in previous decades developed countries exported personnel and facilities for improving health and reducing the death rate before exporting capital and techniques for achieving sufficient economic growth to support the population increases that better medicine and health brought about.

Finally, it should be pointed out there does not seem to be any significant inverse correlation between welfare expenditure and economic development except, again, at the extremes. As would be expected, the highest expenditures per capita by the Indian Affairs Branch are for the most undeveloped bands whose members are almost entirely unemployed, while at the other extreme, some of the highest income bands involve virtually no relief expenditures out of public funds. For reasons discussed below, however, this pattern arises primarily because welfare needs are a result of a lack of economic development, but cannot be assumed to be a basic cause of this lack. Furthermore, the low level of public welfare expenditures among a number of bands is explained by the fact that they have sizable band funds and revenues which are drawn upon to pay for relief and other types of welfare for their members.

A more meaningful comparison might be achieved by combining relief expenditures from both sources -- i.e. band funds and the public purse. Here, however, another difficulty arises, because bands differ considerably in relief policy. The Squamish Band, for instance, appears to have been fairly liberal in giving relief to indigent Indian mothers who had lost their band membership by leaving the reserve to marry or live with White men and subsequently returned to the reserve. Some wealthy bands in Alberta, such as the Blood, by contrast are exceedingly strict in their criteria of band membership and in granting relief to non-resident band members, or former residents who lost their membership rights. Again, such bands as the Sarcee have been extremely liberal in voting themselves large annual cash distributions from the band revenues, and these should, functionally, be considered the equivalent of relief.

A special survey carried out by the Welfare Division of the Indian Affairs Branch a couple of years ago provides a broad comparison of per capita incomes and Indian Affairs Branch welfare expenditures per capita for some sixty-nine agency divisions across the country. Conspicuous by their absence from the list were seven agencies that include some of the most developed bands, in terms of average per capita real income from gainful employment (or, from the Branch's view, the minimum problems of welfare); namely, Vancouver, New Westminster and Kwawkewlth in British Columbia, Caughnawaga and Lorette in Quebec, and Six Nations and Walpole Island in Southern Ontario.

Allowing for these at one end of the scale, and for the most undeveloped and depressed areas on the other, the inverse correlation between annual income per worker and per capita relief payments was small. As measured by income, the agencies were ranked according to percentage of Indian households receiving less than $2000 per annum from employment. Three of the five highest, Fort Vermilion, Alberta (100 per cent), Battleford, Saskatchewan (98.1 per cent), and Eskasoni, Nova Scotia (98.3 per cent) were among the top ten ranked according to relief expenditures per capita ($162, $116, and $118 respectively). Beyond these, there appears to be little correlation. For instance, Seven Islands, Quebec, ranking sixty-second in terms of percentage of households earning less than $2000 per annum (68.3 per cent) ranked second out of sixty-nine in per capita relief payments ($157). Similarly, Pointe Bleue, Quebec, ranked fifty-sixth and third ($149) respectively. At the other extreme, Fort St. John, British Columbia, ranked third highest in percentage of Indian households earning less than $2000 per annum (99.1 per cent), was near the bottom in terms of relief per capita ($20). In between these were such agencies as the Blackfoot in Alberta with 71.1 per cent and $1 respectively, and the Queen Charlotte Agency in British Columbia, with 40.9 per cent and $81 respectively.

Data regarding welfare expenditures per capita, and percentage of households receiving welfare for periods of varying duration during the year for most of the sample bands in the study are shown in Table XVI below. These figures were provided as part of the special survey made by the Welfare Division of the Indian Affairs Branch in 1963.

Generally, as would be expected, the figures from this representative sample of bands show much the same pattern as by agencies, as described above. That there is a definite relationship between welfare expenditures and lack of development is shown by the inverse correlation between bands ranked on a descending scale according to per capita real incomes from gainful employment, and the generally ascending scale of percentages of households depending on welfare payments during the year, and welfare expenditures per capita.

Again, however, there are significant divergencies from this general pattern. The percentages of households receiving welfare during the year were considerably larger in certain high income bands such as Caughnawaga (12.76 per cent), Walpole Island (14.1 per cent), and Squamish (28.5 per cent), than in certain relatively low-income, under-developed bands such as River Desert (6.7 per cent) and Fort St. John (7.4 per cent). Similarly, per capita expenditures in Squamish were $42 for the year, as compared with a mere $7.6 in Dog Rib Rae and $5.24 in River Desert.

One can only conclude, from these data, that welfare or relief for indigents has widely differing results on the work motivations and behaviour patterns of Indians in varying circumstances. (Another variable in the picture, of course, is differences in policy, between strictness and liberality among Indian superintendents.) At the one extreme, in an agency such as Fort Vermilion in Northern Alberta, or individual bands within that agency, where 100 per cent of the Indian households were estimated to earn less than $2000 per annum and which also receive the highest per capita relief grants ($162), one can only conclude that the majority have given up their low-paid trapping activities and become almost wholly dependent on relief. In Fort St. John on the other hand, where 100 per cent were estimated to receive less than $200 per annum and where only 7.4 per cent of the households receiving relief and per capita expenditures over the agency as a whole amounted to only $10, the majority of band members continued to sustain themselves in their older way of life, despite the low average earnings.

By contrast, in the Queen Charlotte Agency, for instance, a larger proportion of Indians is employed in relatively well-paid logging, fishing and canning jobs, and in the Caughnawaga and Squamish Bands in well-paid construction and longshoring jobs, so that less than half are earning less than $2000 per annum; and only 9.1 per cent and 16.4 per cent respectively earn less than $1000 per annum, as compared to almost 100 per cent in Fort St. John. But a far higher proportion of band members depend on relief, and per capita payments were $81 in the Queen Charlotte Agency as compared to $20 in the Fort St. John Agency. This suggests that for most people the availability of relief, which at best yields a bare subsistence income, acts as a deterrent to working for a livelihood only where employment opportunities themselves are limited to arduous, risky or otherwise unattractive types of employment which also yield only a bare subsistence income (such as trapping

## TABLE XVI

## WELFARE DEPENDENCE AMONG BANDS

| Band | Per Capita Income | % Households Receiving Welfare | Welfare Expenditure Per Capita | Total Transfer Payments Income Per Capita |
|---|---|---|---|---|
| Skidegate | $1252 | n/a | n/a | n/a |
| Caughnawaga | 793 | 12.76 | 12.33 | 73.0 |
| Walpole Island | 715 | 14.1 | 5.22 | 107.95 |
| Sheshaht | 664 | 3.4 | 9.5 | 70.7 |
| Lorette | 630 | 2.1 | 6.3 | 77.47 |
| Squamish | 630 | 28.5 | 42.0 | 186.0 |
| Tyendinaga | 516 | 0 | 0 | 161.0 |
| Curve Lake | 350 | n/a | n/a | n/a |
| Six Nations | 350 | 2.3 | 4.28 | 78.0 |
| Mistassini | 341 | 84.75 | 46.92 | 137.6 |
| Masset | 336 | n/a | n/a | n/a |
| Dog Rib Rae | 332 | 18.5 | 7.6 | 109.87 |
| Port Simpson | 325 | 28.0 | 29.4 | 115.2 |
| Kamloops | 314 | 13.7 | 18.9 | 73.0 |
| Sarcee | 302 | 44.3 | 24.0 | 220.5 |
| Fort William | 298 | 37.3 | 69.34 | 173.33 |
| Williams Lake | 291 | 36.8 | 27.0 | 91.6 |
| Moose Factory | 284 | n/a | n/a | n/a |
| Fort Alexander | 255 | n/a | n/a | n/a |
| River Desert | 250 | 6.7 | 5.24 | 102.8 |
| St. Mary's | 249 | 58 | 38.5 | 265.8 |
| Attawapiskat | 247 | 39.2 | 45.0 | 194.0 |
| Pointe Bleue | 222 | 66.5 | 94.6 | 194.5 |
| Tobique | 215 | 76.4 | 65.0 | 127.0 |
| Pikangikum | 197 | 43.8 | 31.64 | 93.5 |
| Shubenacadie | 180 | 78.1 | 191.84 | 276.7 |
| Oak River | 176 | 83.33 | 29.0 | 112.3 |
| Rupert House | 174 | 21.4 | 18.0 | 85.8 |
| Cold Lake | 165 | 89.3 | 73.9 | 197.86 |
| Fort St. John | 161 | 7.4 | 65.0 | 89.7 |
| Deer Lake | 156 | n/a | n/a | n/a |
| The Pas | 140 | 25.8 | 14.72 | 124.0 |
| James Smith | 126 | 100 | 70.7 | 172.0 |
| Peguis | 99 | 100 | 82.46 | 119.0 |
| Big Cove | 61 | 67.2 | 69.0 | 139.6 |
| Piapot | 55 | 86.5 | 95.3 | 214.4 |

in the Northern Territories). And even there, as the case of the Fort St. John Agency at the time this survey was undertaken indicates, numerous Indian bands continued to support themselves at these activities, despite the inadequate rewards.

Where their employment opportunities do yield adequate levels of income, and in areas where through demonstration effect Indians have been imbued with consumer aspirations well above the subsistence level, the availability of relief does not in itself act as a deterrent to employment and economic development. This seems to be the case among the majority of Indians in the higher-income, more developed agencies and bands, such as Queen Charlotte, Caughnawaga, Squamish and others noted above.

This divergent pattern may also, perhaps, indicate some weakening of kinship ties and obligations among residents in the more urbanized, developed bands. In the more urbanized bands such as Caughnawaga and Squamish where most families depend for their livelihoods upon the earnings of the family head as an individual wage earner, the family tends to be more reluctant to look after indigent kin, and more insistent on their seeking welfare aid.

Important in bringing about changes in this relationship among the more urbanized and industrialized bands is the fact that family income is primarily in the form of money rather than kind (in the form of fish, game or farm produce). The latter is a type of income that often must be produced or garnered collectively and thus is to be shared accordingly.

One other pattern that stands out is that some of the wealthier bands, in terms of ownership of large band funds yielding large band revenues, are under-developed in terms of average earnings from gainful employment. This is indicated in the fact that Indians in the Blackfoot Agency, 71.1 per cent of whose workers earned less than $2000 per annum, received nothing in relief payments from the Indian Affairs Branch. As suggested above, a liberal relief policy and large cash distributions, both financed by band funds, have acted as deterrents to their members seeking and training for, and keeping, relatively steady, well-paid jobs or, alternatively, utilizing their resources more intensively to yield a larger work income.

## CHAPTER VII

## SOCIO-CULTURAL FACTORS INFLUENCING ECONOMIC DEVELOPMENT

A growing body of literature has focussed on what may be called socio-cultural factors, rather than economic or socio-economic factors, as the crucial variables determining the pace and magnitude of economic development.

Indian bands in Canada have been subjected to several sorts of historical influences from their interactions, of varying scope or intensity, and at certain levels, with White society, and from the special systems of administration and internal organization of the reserve and band council, under the supervision of an agency superintendent.

Numerous socio-cultural variables within this general context may be viewed as helping, or hindering, economic development. Unfortunately, most of these variables, because of their subtle and subjective nature, do not lend themselves to objective and statistical types of measurement and comparison.

### 1. Tribal Culture

It is widely believed, and a number of facts would appear at first glance to verify it, that Indians from bands of some cultural or language groups are more enterprising and progressive than those of others, due to values and behaviour patterns that encourage their economic development in the modern age. Comparisons are frequently drawn between the Iroquois and the Ojibways or Crees in Ontario and Quebec, and numerous Indian bands along the coast of British Columbia with most bands in the Interior of the province. The contrast seems particularly striking along the Skeena River from the coast up to and including Hazelton. The Tsimpshian are generally more developed, as measured by average per capita income from gainful employment, educational levels, development of Indian-owned enterprises, numbers in business or professional positions, and so on. These differences seem to apply even where the purely economic factors are equal, or if anything more favourable to Carrier than to Tsimpshian Bands (e.g. size of band funds, location in relation to expanding urban communities and job opportunities).

One plausible explanation that is frequently offered is that coast Indian economy was such as to enable them to reside in settled communities during most of the year and to develop advanced techniques and relatively expensive types of capital, such as large houses and canoes. Experience and skill in fishing and related work were used in their integration with the White economy, as fishing and canning became one of the early leading resource industries of the province. Until fairly recently, the coast Indians managed to retain a firm foothold in the industry, despite rapid technological and organizational changes, and a rapid trend toward larger scale, more expensive boats and equipment. While large numbers of Indians have been displaced from the industry in recent years, there are still a number of substantial proprietors owning capital in the tens of thousands of dollars.

Indians having this sort of background, it might be expected, would be more adaptable than most to change, and fit more easily into the requirements of modern industrial society.

The Carriers, by contrast -- and much the same would be true of other people in the broad northern belt of the country -- have depended essentially on highly mobile hunting and fishing (and, for most of the period since contact with Whites, trapping) in small scattered groups. Band members came together for brief periods during the summer months. The high mobility required and the necessity to travel light might be expected to generate attitudes and values rather indifferent to the accumulation of large or expensive types of capital, or tc long-term employment in particular jobs in particular locales.

Much the same sort of apparent contrast might be stated for Indians in other regions. Plains Indian bands -- such as the Sarcees and the Blood, have not shown much propensity for economic development so far, despite the fact that some of them are well off in purely economic terms, with large band funds and revenues, valuable and potentially productive farm and range lands, and access to job opportunities in rapidly expanding urban areas. This comparative lack of development, again, may perhaps be attributed to values of the tribal cultures, which again were based on mobile hunting and trapping.

Among the most highly developed bands are Lorette,of Huron background, and several of Iroquois background -- notably the Six Nations, and Tyendinaga in Southern Ontario and the Caughnawagas in Quebec. The Iroquois, as well as the Hurons, lived in fairly settled communities and were developing an agricultural economy prior to contact with Whites. They also served as middlemen between the Europeans and the nomadic trapping bands when the fur trade was in its heyday. A more likely explanation of their economic development than these factors in their background, however, is their history of residence among and business contact with Whites in the course of the fur trade in earlier times and since then in relatively prosperous farming and diversified industrial communities.

While broad comparisons of this kind can be made to yield some crude explanation of differential development, it would be difficult to come to any precise conclusions as to the effects of the factors in tribal culture and history on economic development. Even intensive research could attribute only hazardously values and behaviour patterns to sources in earlier cultural history. The differences in degree of development among different bands within a cultural or language group are frequently wider than among the latter. For instance, Walpole Island, one of the most advanced bands in Southern Ontario, is a Southern Ojibway Band, but so also are some of the most depressed and undeveloped bands in this region, as brought out by Dunning and others. One can point to dozens of such contrasts across the country.

It would seem more fruitful, therefore, to focus on variables concerning types of interaction and relationships of Indians with Whites, rather than on the earlier tribal cultures.

## 2. Cultural Revival

The role of cultural revivals in encouraging or impeding economic development is a subject of some controversy.

One school of thought tends to look upon such phenomena as expressions of defeatism or retreat. These attempts to find a new source of security and meaning in life are necessarily futile, some say, because the whole base, material and otherwise, of the tribal culture has been destroyed, while the values and behaviour patterns generated by participation in attempted revivals render individuals that much less able to participate effectively in a modern economy.

As against this view, it is held that such cultural revivals may be necessary in many cases for rehabilitation and economic development. By gaining a new pride and sense of identity, Indians may lose apathy and defeatism, and acquire the confidence to participate in the world around them and compete on a more equal basis.

From the limited evidence that comes to hand from this research survey, it would be impossible to prove or disprove either of the above propositions; either could be supported. Communities in which there is a great deal of revivalist activity seem to represent both advanced and backward economic status.

Two distinct patterns of economic development and integration may have different implications for the success of revivalist or of any perpetuative activity. One pattern of economic development is that in which a large and growing proportion of the band members become full-time wage and salary earners in enterprises outside of the reserve. In this situation, particularly if the reserve is part of a large urban community, it is difficult for the band to retain a distinct tribal culture. Another pattern is one resting on a more diversified base of farming, business and industrial enterprises and professional services within the community, as well as outside wage and salaried employment. Here, as in the Six Nations, economic development may even provide some of the means for sustaining the revival of various aspects of the traditional culture, and may give the band the means for resisting and surviving encroachments from outside.

There are other distinctively Indian aspects of band life that do contribute to economic development. The band's rights in hunting and fishing provide an important source of food supply, and therefore real income to many bands. Various tourist attractions, ranging from colourful pageants down to the sale of handicrafts provide a variable source of extra income.

Some of the most advanced Indian bands are also those which had highly developed art forms in their tribal cultures. A revival and expansion of such art might well be a supplement to economic development of a band that had other main sources of income.

In general, one gets the impression that the many and varied ceremonies organized by Indian bands across the country generally constitute a positive factor contributing to economic development. Particularly is this the case where Indians take the initiative, and where Whites are spectators or participants. There are innumerable forms of these occasions such as sports days, regattas, stampedes, dog sled races, salmon barbecues and the like. One might add that model Indian villages and handicraft displays serve something of the same purpose.

### 3. Kinship Ties and Obligations

One of the most widely observed factors in economic development, generally held to be negative in its effects, is the obligation of the individual to his kinship group. In most tribal and peasant societies, a fairly wide kinship group is the basic unit of organization, economic and otherwise. It defines the role and status of the individual, and provides him with some degree of security; that is, in terms of a right to minimum subsistence and other prerequisites in times of need. The mutual ties of rights and obligations act as deterrents to economic advancement in an industrial society. The individual's mobility may be reduced, for one thing, as he may be reluctant to sacrifice his security by moving to centres of job opportunity elsewhere. Where an individual does advance himself, through wage employment or successful entrepreneurship, the claims of his kinfolk may reduce his standard of living and his capital.

This sort of pattern is conspicuous and therefore easily and frequently observed by outsiders. On the other hand, kinship ties among many groups are a source of support and economic advancement for individuals and the group generally, where capital is pooled to finance a profitable enterprise, or to provide higher education for more promising students.

The more parasitic aspects of kinship were probably reinforced in the past by the dependency of the reserve system. This has led to important changes in social welfare or relief policy to free the individual and his immediate family from the burdens of supporting other kin, and thus encourage their independence and ambition to better themselves.

The role that kinship plays in economic development of Indians across Canada would be extremely difficult to establish. One can point to numerous individual case histories to illustrate economically deterrent effects, because these are the cases that come to light, of individuals who have failed to keep their jobs, or lost them through drinking, and who blame their troubles on their relatives. And at the other end of the pole, another conspicuous person is the economically successful worker or independent proprietor who appears to have severed his ties and become more or less socially isolated and resented by his relatives and friends. Or again, in some cases, a minority of well-paid, steady employees in the band appear to have become a separate clique -- perhaps the beginning of a new economic élite that will establish new patterns of kinship and social relations in the community, as a by-product of and step towards further economic advancement.

On the other hand, there is much that is not evident and known, and that would require further research. Of the dozens of relatively successful Indian business and professional men across the country, was their success achieved despite kinship ties and obligations, or was the support of kin an essential first step? To what extent have numerous business failures among Indians been due to such obligations? And to what extent do other business successes depend on the pooled resources of relatives?

One reasonable, though unproven, conclusion is that the persistence of widespread kinship obligations among Indians, as among other depressed and dependent low-income groups, is a result, rather than a cause, of poverty. Much the same conclusion might apply to the high rate of growth of the Indian population and of its dependence on welfare.

## 4. Quality of Leadership

One would expect that Indian bands with able and intelligent leaders would be more economically advanced than those with less able ones. To provide some opinion on this issue, the questionnaire circulated by the Economic Development Division of the Indian Affairs Branch asked agency personnel to classify the band leadership in one of five categories: (5) High Quality; (4) Quite Positive; (3) Moderate; (2) Seldom; (1) No Evidence of Leadership.

Outstanding examples, of course, can be pointed out to show the tangible results of strong leadership. The council of the Kamloops Band moved to call in a firm of outside consultants to advise them on the most effective use of their reserve land. A plan was submitted calling for an industrial subdivision to lease to outside business interests. The plan was instituted, and in recent years several dozen firms have established themselves and provided many new job opportunities for band members. Over the past ten years, in brief, there has been considerable economic development by any measure of the term, and one could attribute it at least partly to progressive leadership.

However, from data made available from the Resources Questionnaire, there does not appear to be any high degree of correlation between the quality of leadership (as identified with the band council and chief) and the degree of economic advancement of the band members for several reasons.

(1) In their responses to the Resources Questionnaire, the judgments of agency superintendents or of anyone else on the quality of leadership would tend to be subjective and to vary from one agency to another. "Positive" may be interpreted as "cooperative" (with the superintendent) and the policies followed by the latter are not necessarily conducive to economic development, particularly if there is opposition from the band membership.

(2) In many instances the band chief and council are often not the real leaders in the community. These latter are often pictured as some older members of the community -- or sometimes business proprietors -- who, though not elected to council, have wide influence and make or break a program.

(3) In some cases, particularly in an advanced band in which a high proportion of the members is employed in outside wage or salaried employment

or have time-consuming farms or businesses to look after, only the under-employed or less successful band members have the time or inclination to serve on the council.

(4) In some of the most economically advanced and integrated bands, the band council may cease to serve any meaningful purpose, as the band ceases to function in any real sense as a distinct and separate entity in the larger community. This appears, from limited evidence, to be the tendency at Lorette. Its leadership is classed in the questionnaire as moderate though a number of individual band members have achieved notable success in industry and professions.

This raises an important question in terms of long-range policy. How much emphasis should be placed on encouraging greater strength of leadership, participation in and delegation of functions to the band council? Where the band represents a community with a diversified resource base, and a strong urge to cultural revival and separatism, as with the Six Nations, strong emphasis would seem justified. But where the path to economic development seems to lie in closer integration with the White community and greater dependency of band members on paid employment and migration away from the reserve, the band council's importance seems bound to decline.

## 5. Organizational Activity

Numerous sociological studies of communities, and of income groups and classes have established a high degree of correlation between organizational activity and economic advancement. Generally speaking, the higher the income and status of individuals or occupational groups, the larger the number of organizations they belong to or participate in, and there is a similar differentiation of communities with regard to membership and participation per capita.

One would expect this to be broadly true of band communities. One of the major deterrents to economic advancement of Indians is their widespread anomie, the attitudes of apathy and alienation that lower the levels of energy and interest and lessen the capacities for individual success in economic and other activities.

The Resources Questionnaire includes one question asking agency superintendents to list the number and types of organization in each band community. The results are listed in Table XVII below. Again, the sample thirty-five bands are ranked according to per capita real income from gainful employment, and alongside these are listed in the first column, the number of organizations in the community, and in the second column, as one rough index of intensity or degree, the number of band members per organization (i.e. the smaller the number, the more organized the community).

There are obvious limitations to the question as stated and the resulting data. For one thing, the answer simply indicates the number existing without indicating how many members an organization has, or what proportion of the total band membership participates in each organization, or how intensively they participate. Also, one would logically expect to find proportionately more organizations, the larger the total membership in the band and the more diversified its economic base, quite apart from the average per capita real income of the bands themselves. Or, to put it another way, with regard to degree of organization, a band with a small population and one or two organizations, might show a higher degree of organization than a larger band with several organizations, but the numerical relationship or proportion would not tell very much by itself. The data presented in Table XVII show a statistically significant (.48) degree of correlation between numbers of organizations in each band, and average per capita income of members, but this may be influenced mainly by the fact that the higher income bands are, on the average, considerably larger than the low income bands. There is no evident correlation with average number of people per organization.

In particular kinds of situations, however, there is a significant relationship between the two variables. A large but economically depressed and dependent band such as Norway House or Cross Lake in Northern Manitoba has fewer organizations among its members than an economically more developed band

## TABLE XVII

## ORGANIZATIONS IN BAND COMMUNITIES

| Band | Per Capita Income | Number of Organizations | Average Number of People Per Organization |
|---|---|---|---|
| Skidegate | $1252 | 13 | 24 |
| Caughnawaga | 793 | 8 | 365 |
| Walpole Island | 715 | 15 | 77 |
| Sheshaht | 664 | 7 | 38 |
| Lorette | 630 | 2 | 277 |
| Squamish | 630 | 7 | 125 |
| Tyendinaga | 516 | 10 | 94 |
| Curve Lake | 350 | 7 | 60 |
| Six Nations | 350 | 12 | |
| Mistassini | 341 | 0 | 0 |
| Dog Rib Rae | 332 | 3 | 92 |
| Masset | 336 | n/a | n/a |
| Port Simpson | 325 | 8 | 124 |
| Kamloops | 314 | 7 | 102 |
| Sarcee | 302 | 7 | 35 |
| Fort William | 298 | 8 | 43 |
| Williams Lake | 291 | 3 | 91 |
| Moose Factory | 284 | 2 | 88 |
| Fort Alexander | 255 | 10 | n/a |
| River Desert | 250 | 2 | 250 |
| St. Mary's | 249 | 5 | 60 |
| Attawapiskat | 247 | 1 | 698 |
| Pointe Bleue | 222 | 4 | 32 |
| Tobique | 215 | 9 | 117 |
| Pikangikum | 197 | 4 | 94 |
| Shubenacadie | 180 | 4 | 99 |
| Oak River | 176 | 0 | 0 |
| Rupert House | 174 | 0 | 0 |
| Cold Lake | 165 | 8 | 76 |
| Fort St. John | 161 | 0 | 0 |
| Deer Lake | 156 | 9 | 74 |
| The Pas | 140 | 6 | 127 |
| James Smith | 126 | 6 | 128 |
| Peguis | 99 | 9 | 184 |
| Big Cove | 61 | 4 | 174 |
| Piapot | 55 | 0 | 0 |
| Coefficient of Correlation with Per Capita Income | | .48 | .06 |

**with fewer members, such as Walpole Island or Tyendinaga in Southern Ontario, or Kamloops in British Columbia. The most economically depressed bands -- such as a marginal farming community like Piapot, Saskatchewan, or some of the more isolated hunting and trapping bands that have become almost entirely dependent on relief -- appear to be almost completely without organizations, and do not constitute a community in any meaningful sense. This is also true for some of the more dependent bands in other areas, such as one of the Southern Ojibway studied by Dunning -- people he classed as a collection rather than a community.**

**On the other hand, the same tendency may also arise as a by-product of economic development and integration in some cases, as with leadership. Lorette again provides an interesting example. While one of the most economically developed bands in the country, it is marked by few organizations. Where sufficiently integrated, members of the band may cease to regard themselves as a distinct community with separate organizations of its own and participate rather as individual members of various outside organizations.**

This question, of course, has considerable relevance -- taken in terms of priority of effort -- for the community development programs now being launched by the Indian Affairs Branch and several provincial government agencies.

## 6. Participation in Outside Organizations and Activities

While there are limits to the correlation of economic development of Indians and organizational activity within a band community, for reasons noted above, one would reasonably expect a more positive correlation with participation in organizational activities in the outside White community, for, as noted in the latter, there is a high degree of correlation between income or economic status and participation in such activities.

The data available from the research are rather fragmentary on this point. Answers to the Indian Affairs Branch questionnaire on organizations, described briefly above, do not in all cases indicate which ones within bands are branches of outside organizations in which Indians participate with Whites, and which ones are confined to the band membership itself. Nor do they indicate how or in what capacity Indians participate -- desultorily; passively; actively and enthusiastically; as opposition minorities; indiscriminately as members of other groups or cliques, including Whites; running for office, and being elected or appointed to positions of responsibility; and so on. Reports by agency superintendents and other observers vary widely in the detail and insight brought to bear on these questions.

Again, there are all sorts of more informal or less structured, but fully as important, types of participation by Indians in activities organized by Whites or jointly organized with them (e.g. dances and other social or recreational activities; athletic contests; baseball or lacrosse games) which are not easy to quantify and measure in a comparative survey of this type.

From the limited data available and from reasonable inference from observable facts, however, there appears to be a positive correlation between economic development of Indians and their participation in organized activities outside of the reserves. At the one extreme are the isolated and depressed bands, which are precluded from such participation by their very location. Again, among the more depressed bands in closer physical proximity to White communities, social isolation seems to go hand-in-hand with underemployment and dependency. At the other end of the pole, among the more highly developed bands are those with a large proportion of members engaged continuously in organized White activities. Regular wage or salaried employment in White-owned and-staffed establishments, of course, is itself a highly important type of participation. Beyond this, Indians in the more remunerative types of employment generally belong to trade unions, because such types of employment tend to be highly unionized, some of them coming under closed shop or union shop agreements (e.g. high steel work; other types of construction work on major projects and in main urban centres; factory work in Ontario; longshoring and stevedoring; logging and sawmilling with larger operators and in larger cities and towns; fishing and cannery work in British Columbia; and so on).

Among bands having a more diversified economic base, particularly farming, the picture may be more mixed. If the reserve is at some distance from any city or town, there may be little or no participation in outside social or recreational activities. On the other hand, even here such participation tends to be correlated with comparative degree of economic development. Generally it will be only the better Indian farmers or ranchers who participate with Whites in stockmen's associations, marketing cooperatives, and the like, for membership participation in such organizations usually requires having something worthwhile to raise and to sell.

Even those relatively developed bands where there are strong drives towards cultural survival or revival and resistance to integration, probably show a relatively high degree of participation in outside activities. Such is the case, for instance, among the Caughnawaga, with their membership in construction workers' unions; or among a minority in the Six Nations Band employed in various unionized industrial establishments in and around Brantford and other nearby industrial communities Further study might show that minorities within a large band of this kind participate in a variety of other outside organizations besides trade unions (e.g. 4-H Clubs, Boy Scouts, Canadian Legion, Athletic Clubs). Such participation is not necessarily inconsistent with maintenance of the Long House religion, resisting further integration in the schools, or refusing to participate in the P.T.A.

There is one final, and perhaps obvious, point in this connection. Frequently, in Canada and the United States, active efforts by members of various ethnic minorities to join and participate in organizations controlled by the majority group have been resisted by the latter. Various minorities have been accused of being too insistent. This reaction is frequently interpreted as being generated, among members of the majority group, by feelings of insecurity arising from fear of competition. The minority group's drive to join and be accepted is interpreted as striving for economic advancement or higher social status and recognition for economic gains already achieved (sometimes by dubious means).

The vast majority of Indians, obviously, do not fit into this picture. Their most apparent problem is passivity and unaggressiveness. Where there is a high degree of participation in outside activities, therefore, in most cases it indicates an unusual degree of active encouragement (or in a few cases, as with union closed shop agreements, actual compulsion) from the White majority.

Fully as important as the more formal, organized and official activities or policies of the White majority are the more informal or spontaneous attitudes, expressions and behaviour patterns of those Whites with whom Indians come into contact in various facets of life.

A couple of examples seem to bring this out graphically. The Kamloops Band has achieved considerable advancement in recent years through outside counselling in a planned program of leasing tracts of reserve land to industrial enterprises that provide job opportunities for band members. The improvement has been paralleled by the formation of an organization called the Mika Nika Club which was formed among businessmen and other White citizens of the Kamloops area, with participation of representative Indians, for the express purpose of improving the economic and social position of Indians in the area.

Less spectacular in terms of concrete measurable gains, but significant nonetheless, have been relationships in economically marginal areas such as the Pemberton Valley in British Columbia. Farming in the area for Whites as well as Indians has been declining. A majority of the Whites as well as Indians are engaged in wage work, in seasonal logging and construction jobs. A minority of the Whites residing at any one time in the valley are briefly employed transients. The main organizational activities in the area are controlled by a small élite of modest means, drawn mainly from the older resident families, mostly farm owners who are also part-time workers in other industries, and a few business and professional men. This group go to unusual effort to encourage Indians to participate in a variety of joint social, recreational and educational activities, while maintaining informal relations. Their efforts appear to have met with considerable success despite the generally unfavourable economic environment, as well as the fact that the Indians (a majority of the population) are Roman Catholic in religious affiliation while the Whites are predominantly Protestant or unaffiliated. Undoubtedly there are a number of developments of this kind favourable to the future economic advancement of various Indian bands across the country.

By contrast, one can point to many cases of some of the most depressed, idle and dependent Indian bands located in close proximity to booming cities and towns that should offer manifold job opportunities. In such cases, lack of participation in White-controlled economic and other activities seem to go together, coupled with self-reinforcing attitudes on both sides. The majority of Whites with whom Indians come into contact make it clear that they regard them as shiftless and unemployable, and the reactions of Indians tend correspondingly to be distrustful and apathetic or contemptuous and hostile when under the influence of alcohol

3.

One widely quoted example of such relations appears to be the booming town of Kenora, Ontario. One ridiculous phenomenon brings out graphically two different definitions of the situation. In Kenora White residents tell, by way of illustrating how disgusting or degraded Indians can be, how they've seen drunken Indians, women as well as men, urinating on the street. More sophisticated observers have pointed out that for many Indians who periodically visit the town, virtually the only places where they can feel at all welcome and sit down to rest are a few beer parlours in the sleazier part of town. Sometime later, after shopping or just walking around to see the sights, nature takes its course. But the other parts of town are so unfamiliar or unfriendly to Indians (even to the point of prohibiting them from using toilets in beer parlours or restaurants), that they cannot find any place where they can urinate other than the street!

## 7. Social and Personal Disorganization

A widely accepted popular explanation and perhaps one that is valid, for the failure of individual Indians and bands to develop economically, could be lumped under the general heading of personal disorganization. Under this heading would be included the various combinations of attitudes, behaviour patterns and limitations of character and personality that prevent the individual and the group from making an effective adjustment to, and participating successfully in, the larger society, with consequent economic deterioration, dependency, and demoralization. Behaviour patterns widely attributed to Indians as proof of personal disorganization are those of drunkenness, sexual promiscuity, shiftlessness or laziness, irresponsibility, neglect of family, and the like.

Personal disorganization, where it does follow similar patterns among large numbers of a particular ethnic or cultural minority, presumably arises from a failure of the minority group to adjust to the dominant culture.

Social disorganization, however, does not or should not necessarily mean that there will be a high incidence of personal disorganization. Presumably, social disorganization is unavoidable in the process of economic development in so far as it involves transforming a culture and social organization based on a relatively static, localized subsistence economy into one that is dynamic, high-income, large-scale and complex in its operations. Presumably, then, relatively developed, high-income bands are those which have made the transition successfully. The low-income bands are assumed to be those which have failed to make the transition successfully. Presumably they fall into two categories:

(a) Those which have retained, in large part, the economic patterns of an earlier adjustment, and remain in a static subsistence economy. For example, the Dog Rib Rae and Old Crow Bands remained until recently largely self-sustaining, mobile hunting and trapping groups.

(b) Those bands which have pretty well lost or abandoned their earlier means of livelihood but failed to become engaged in new types of employment that provide an adequate livelihood. In this sort of situation, social disorientation tends to be accompanied by personal disorientation. This in turn tends to create a self-perpetuating poverty cycle.

Over the economy as a whole there is no simple direct correlation between poverty and the indices of social and personal disorganization. In fact, numerous statistics since World War II seem to indicate almost the reverse in the United States, Canada and a number of other economically developed countries. Over the past two decades of unprecedented economic growth and rising per capita incomes, the incidence of delinquency and crime, alcoholism, divorce, desertion, illegitimacy, mental breakdowns, and other social and personal problems has also been rising, particularly among higher-income working class and middle class groups.

Nevertheless, it does seem to be true that in a rapidly growing affluent society, poverty, where it occurs, tends to have more demoralizing effects on individuals and groups than it would in a context where most people are poor. This demoralization in turn renders people that much less able to fit into the economy and reap an adequate share of its benefits. The special problem of the "hidden poor" has become one of the most widely publicized issues of the present day. Native Indians account for a disproportionate number in this category.

It was found impossible to make any sort of accurate or meaningful comparison among Indian bands, or to find any meaningful degree of statistical correlation between indices of social and personal disorganization on the one hand, and the degree of economic development on the other. The main reasons are:

(a) The reports on the basis of which statistics can be derived regarding such indices are often very subjective and vary widely;

(b) Administrative policy, on the basis of which other statistics are derived, also varies widely from province to province and community to community; and

(c) Various indices of disorganization seem to be as large, or larger, among high-income developed bands as among the lower-income bands.

To give some examples:

The Indian Health Services has been attempting to develop an adequate statistical reporting system on the basis of which it can allocate its personnel and services more efficiently. One attempt in this direction involved having its nurses fill in a fairly detailed annual report on Indian communities across the country, dealing with such matters as housing, nutrition, sanitation, incidence of various types of illness, drinking, and other social and health problems. Some of the items are listed by degree: for instance, the incidence of drinking in a community is classed as "good", "fair", "poor" and "extreme", one of which the rapporteur is to underline. Obviously there might be wide differences in judgment between nurses coming from different types of background.

In any case (as the voluminous literature on alcohol research has brought out) there is a wide variety of drinking patterns among people, and the same amount of drinking can have widely differing effects upon the health, employability and earning capacity of individuals. Among Indians, as among Whites, heavy drinkers include the economically most successful as well as the most poverty-stricken and dependent. Thus in the nurses' reports, for instance, Caughnawaga is classed as a heavy drinking band, on a par with the most disorganized and poverty-stricken communities in Saskatchewan or New Brunswick.

Again, official statistics regarding arrests and convictions of Indians for crimes and misdemeanours face the essential limitation that police, as individuals, vary widely in their interpretations of the law and their strictness in enforcing it, as do local magistrates or judges in making convictions. And the laws themselves vary considerably frmm province to province.

Such limitations seem to apply to most or all of the other indices of personal disorganization and render any adequate comparison among the sample bands all but impossible. One index that might be taken as a measure of disorganization is the rate of illegitimacy. Table XIX below shows the percentage of unmarried mothers of total mothers in each band, with the bands ranked according to per capita real income. Here again there appears to be very little, if any, correlation. There seems to be an equally wide range in illegitimacy rates among high-income and low-income bands.

Thus the present conclusions are based on rather impressionistic reports from agency superintendents and other sources which supplement the statistics that are available. These give the following broad picture:

(1) The most developed bands appear to have a lower incidence of personal disorganization than do most Indian communities. On the other hand, such bands appear to show a higher rate of disorganization of particular kinds. For instance, Caughnawaga and Nimpkish are reputed to have particularly high rates of male juvenile delinquency, especially for theft and property damage. In the former band much of this is blamed on the prolonged absence of fathers from their families, due to the nature of

## TABLE XIX

## UNWED MOTHERS

| Band | Unwed Mothers as Per Cent of All Mothers |
|---|---|
| Skidegate | 9.0 |
| Caughnawaga | 2.0 |
| Walpole Island | 11.3 |
| Sheshaht | 5.3 |
| Lorette | Nil |
| Squamish | 10.1 |
| Tyendinaga | 5.0 |
| Six Nations | 9.1 |
| Curve Lake | 12.2 |
| Mistassini | 1.1 |
| Masset | 24.4 |
| Dog Rib Rae | 14.3 |
| Port Simpson | 16.1 |
| Kamloops | 22.8 |
| Sarcee | 13.2 |
| Fort William | 13.6 |
| Williams Lake | 27.5 |
| Moose Factory | 10.3 |
| Fort Alexander | n/a |
| River Desert | 10.7 |
| St. Mary's | 11.4 |
| Attawapiskat | 11.0 |
| Pointe Bleue | 1.2 |
| Tobique | 9.5 |
| Pikangikum | 4.6 |
| Shubenacadie | 15.7 |
| Oak River | 5.7 |
| Rupert House | 7.2 |
| Cold Lake | 8.3 |
| Fort St. John | 35.5 |
| Deer Lake, Ont. | 2.3 |
| The Pas | 8.4 |
| James Smith | 7.8 |
| Peguis | 12.5 |
| Big Cove | 6.4 |
| Piapot | 9.5 |

their work. In the latter, it is blamed on a minority of less successful families, in a community that also has a minority of unusually successful proprietors in the fishing industry. Juvenile delinquency of this kind may be an expression of aggressiveness and frustration that is associated with economic development, in contrast to the apathy and resignation of the more impoverished bands.

(2) The least developed bands, the more isolated and dependent, likewise appear to have a lower than average incidence of personal disorganization. Perhaps it would be more accurate to say that personal disorganization is less evident and is not expressed so much in the forms that come to public attention and become recorded statistically. The actual problems are probably more those of idleness, low income, dependency, overcrowding, malnutrition and poor health, with consequent attitudes of apathy and indifference.

(3) The communities which appear to have the highest incidence of personal disorganization are those in which there is access to White communities and considerable inter-action at certain levels with Whites. Some of these are long established, others were relatively isolated until new economic development brought a sudden influx of Whites with money to spend and invest.

More specifically, personal disorganization among Indians seems most apparent in those communities in which (1) there is a lack of encouragement or opportunity for Indians to participate in meaningful White-controlled activities, and/or (2) where the community does not have the means for developing a more or less satisfactory and functioning cultural base of its own (as most Iroquois Bands in Southern Ontario have done, for instance). In such situations, the only points of contact between Indians and Whites are in centres of disorganization, and with the more disorganized Whites. Hence, the familiar picture of Indians on Skid Road in major urban and metropolitan centres; drinking excessively in the sleazier bars and beer parlours; bootlegging; pimping, prostitution and panhandling in boom towns with large numbers of transient Whites; and so on.

This over-simplified and somewhat obvious picture suggests two broadly different foci of emphasis in any general program of economic development for Indians.

(1) A community development program, as such, would seem most needed, and most likely to bring tangible results in Indian communities in the third category above, which have access to potential job opportunities or other economic benefits, but which are unable to take advantages of such opportunities because of social and personal disorganization. Such community development, however, would have to focus on Whites as much or more than on Indians.

(2) In the isolated, undeveloped type of band, where the population has outrun its means of livelihood using traditional techniques, the main priority would appear to be economic development rather than community development as such; that is, the most immediate and pressing needs are training band members in new techniques for utilizing resources more effectively, or getting jobs elsewhere; provision of capital, materials and equipment for developing new sources of employment; inducing and facilitating migration of band members to other, more economically viable areas. Community development by itself would not seem the appropriate program to begin with until the members of the community have something tangible to develop and work for to support themselves on.

## 8. Religious Affiliation

A notable group of economic historians and sociologists has delved into the relationships between different religious beliefs and affiliations, on the one hand, and economic development on the other.

These scholars found a positive correlation between economic growth and religious affiliation, or, more specifically, between the rapid rise to economic dominance, in recent centuries, of predominantly Protestant Northwest Europe as compared to predominantly Roman Catholic Southern Europe. In Canada this is paralleled by the more rapid economic growth of English-speaking and Protestant Ontario as compared to French-speaking Catholic Quebec, and the dominant control of industry, commerce and finance in the latter by a relatively small English-Protestant minority. (Note: The correlation in Europe appears to have broken down since World War II. Predominantly Catholic Italy, France and West Germany achieved far more rapid economic growth during the 1950's than did the predominantly Protestant Great Britain, Canada, or the United States.)

The explanations offered lay in differences in religious doctrine, and the effects these have had upon attitudes and actions of individuals in coping with their economic problems. The Catholic Church is pictured as being essentially authoritarian in structure and other-worldly in outlook. The emphasis on dogma may tend to encourage attitudes of submissiveness, and discourage individual initiative and a spirit of scientific inquiry. Where an ethnic minority is predominantly Roman Catholic in a largely Protestant or secular environment, the church has tended to encourage a policy of cultural and religious separatism that keeps members of the minority economically depressed.

Protestantism, especially of the Calvinist or Puritan variety, by contrast, from its origin as a revolt against established church authority, has tended to encourage a spirit of aggressive individualism which conduced to economic success. The Puritan Doctrine has been interpreted as sanctifying hard work, and measuring virtue by the accumulation of material goods. The Puritan condemnation and restriction of drinking, gambling, games and frivolity has been favourable to capital accumulation and economic success.

These theories were perhaps more appropriate to the eighteenth and nineteenth centuries than to the twentieth. In the earlier stages of industrialization, in an era of predominantly small-scale enterprises owned and operated by individual proprietors, the road to economic growth and success did perhaps depend primarily upon such qualities as thrift and abstemiousness conducing to a high rate of personal saving and capital accumulation. In the modern era of large-scale enterprise and mass consumption, however, in which the major capital accumulations and investments are carried out by business firms rather than individuals, and in which the overwhelming and increasing majority of the gainfully employed are employees rather than owner-operators, the main incentives to hard work and productive effort would appear to be those of consumption (particularly of durable consumer goods and services in the status symbol category) rather than those of individual saving, ownership and capital accumulation. To a considerable extent, therefore, economic growth and productive effort may be stimulated by motivations that are almost the reverse of those extolled by Puritan doctrine -- that is, by social standards that induce a high rate of wasteful consumption, which require correspondingly high incomes and for job security. At any rate, the highest income, most economically developed nations today are characterized by high propensities to consume, and large savings and capital accumulations in the aggregate are determined essentially by the overall levels of income and demand, rather than by the inclinations of individuals to save. (Indeed, as the outstanding economist, the late J.M. Keynes pointed out, a too high propensity to save, and a correspondingly low propensity to consume, tends to be a deterrent to economic growth and, paradoxically, therefore, to reduce the potential level of total savings and investment in a national economy.)

For these reasons, among others, therefore, as noted above, in recent decades differential roles of economic growth among various nations and regions do not appear to have any meaningful correlations with religious differences, at least as between Catholic and Protestant populations.

Some of the above generalizations would seem to apply to numerous Indian bands examined in this study. As brought out in Chapter IV above, the highest income, most economically developed bands are characterized by a high proportion of wage earners rather than proprietors in the adult work force, and by relatively high expenditures on expensive consumer durable goods (e.g. electricity and household appliances) rather than on individual revenue-producing capital. And, as brought out below, there appears to be little, if any, correlation with Catholic or Protestant religious affiliation among such bands.

It would be dangerous, of course, for reasons pointed out earlier, to draw too close an analogy between entire nations or regions on the one hand, and small scattered bands on the other. It is possible that there are other ways than those discussed above in which religious affiliation may affect the economic growth of Indian communities.

The earlier generalizations are frequently put forward, in an even more simplified form, as a major factor accounting for the economic backwardness of Indians generally, and for the marked unevenness in economic and educational development among various groups of them in Canada. The churches were allowed by government to have a degree of authority and control over education and social life in Indian communities, far greater than in any White communities (with the possible exception perhaps of Quebec). In the administration of Indian affairs, certainly, until recently, there was not the separation of church and state that is taken for granted outside of Quebec.

The Catholic Church has been generally the most separatist in its policy towards Indians. It has maintained separate schools and resisted integration in secular schools. It has tended to discourage migration from reserves, or other forms of participation of Indians in White-controlled activities, where the band is predominantly Catholic in a predominantly Protestant or secular environment. The Anglican Church has operated with the same goals, to perhaps a slightly lesser degree. The United Church and its antecedents have generally been much less separatist in announced policy.

To the extent that religious beliefs and affiliations have any tangible effect upon economic motivations and activities, one would expect, therefore, other things being equal, to find unequal degrees of economic development among Indian bands and individuals, depending upon their religious affiliation.

The broad picture at first glance appears to support the view that bands that are predominantly Roman Catholic in affiliation are, in most cases, economically more backward than those that are Protestant -- and further, that those predominantly Anglican are more backward than those predominantly United Church. As may be seen from Table XX below, of the fifteen bands in the sample having average per capita incomes above $300, six are predominantly Roman Catholic in affiliation, two are Anglican, four are United and three are mixed. Of the twenty-one bands having average per capita incomes below $300, thirteen are Roman Catholic, six are Anglican and two are United in affiliation.[1] Or, again, of the seven lowest per capita income bands in the sample, three are predominantly Roman Catholic, three are Anglican and one is United Church. On the other hand, of the seven highest income bands, three are predominantly Roman Catholic, two are United, one is Anglican and one is mixed. Other variables enter into the picture, however, so that no very valid conclusions can be drawn from these facts alone. Important among such variables are:

(a) location, and
(b) cultural background,

(a) By and large, Indian bands that are predominantly Catholic in affiliation are for the most part in less advantageous locations for economic development. This applies particularly to the large number of bands in the more isolated or inaccessible northern interior regions of the country, who depended mainly on a nomadic trapping, hunting and fishing economy for their livelihood (as well as most bands in the Maritimes). This concentration, in turn, dates back to the earliest days of the fur trade. Under the French regime, whose economy rested on the fur trade, Catholic missionaries with the full power of the Crown supporting them, followed close on the heels of, and frequently led, the fur trader and voyageur in contacting and converting Indians. The English (and presumably English Protestant Churches as well), by contrast, in the fur trade tended to operate from established bases and deal with certain more advanced or prosperous tribes (notably the Iroquois) as middlemen, rather than reaching out to the source of supplies among the more marginal hunting groups.

Industrialization and urbanization developed rapidly in Canada during the latter nineteenth and early twentieth centuries, but mainly in the southern belt of the country, and under predominantly English-speaking and Protestant control. Indian bands converted to Protestantism were thus generally in a more favourable location for economic development.

There are two or three notable exceptions to this general picture. One is the Lower Mainland area of British Columbia. It is by far the most highly urbanized and industrialized area in the province, accounting for almost one-half the population. The Indian bands in this area are predominantly Catholic in affiliation, and are, on the whole, also economically better off than the vast majority in other parts of the country. Other notable exceptions are the Caughnawaga and Lorette Bands, both predominantly Catholic, in metropolitan Montreal and Quebec.

(b) The location variable presumably could be eliminated if Indian bands having comparable economic advantages (in terms of control over arable farmland; transportation facilities and access to urban communities offering comparable job opportunities) were found to differ appreciably in per capita incomes and if these differences coincided with differences in religious affiliation.

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[1] A band is classed as "predominantly" in a category where two-thirds or more of the band members are of one faith, and "mixed" where no one church has two-thirds or more of the members.

Here, however, the other variable tends to enter in, namely, differences in cultural background that may affect economic performance up to the present day. Differences in religious affiliation tend to coincide with differences in language or culture. As noted earlier, there seems to be a substantial difference in degrees of economic development, despite roughly equal or comparable economic advantages, between the Tsimpshians and the Carriers in northern British Columbia from Prince Rupert east to Prince George. The Tsimpshian Bands are predominantly Protestant, while the less-developed Carrier Bands are predominantly Catholic in affiliation. It seems impossible at this point, however, to define and measure which variables are dominant in affecting the differential rates of growth.

Possibly both of these other variables could be eliminated, and the effect of the religious factor measured, if a number of bands could be chosen that belonged to the same language or cultural group, and that were similarly situated with regard to economic advantages. This would seem possible, however, only among those language groups that were based on a mobile hunting economy, and which today have many bands scattered over a large territory. This is notably the case with the Crees, and to a lesser extent, the northern Ojibways. Even in this case, however, it is likely to prove difficult to find anything definitive -- for the vast majority of bands among these groups are today in much the same circumstances regardless of religious affiliation. Their main problems are the familiar ones of over-population relative to resources; poverty and dependency; limited education and training; coupled with isolation from centres of job opportunities. From a brief survey of Indian band communities in Northern Manitoba during the summer of 1962, the general picture that emerged was that there were no significant differences in economic status coinciding with differences in religious affiliation. Among the minority of Cree or northern Ojibway Bands located within reasonably close access to urban communities, on the other hand, it is difficult to find samples that differ in religious affiliation that are at the same time really comparable in economic advantages, for, over a wide area, urban communities of roughly comparable size often differ widely in job opportunities. On the other hand, there appear to be just as wide differences among bands of the same religious affiliations as among those with different affiliations -- as is true of bands within the same language groups.

One obvious limitation in any attempt to measure the religious factor in economic development by means of a broad, comparative statistical survey is that it measures only the quantitative, not the qualitative, aspect. All that a statistical survey can show, with regard to religion, is the affiliation of band members. The more important effects of religion upon economic performance, however, would depend upon the intensity of religious faith and belief, the degree to which individuals have internalized religious values such as to affect significantly their attitudes and actions in the workaday world. Affiliation, as such, tells us little. Among Indians as well as Whites, many churches in nominally Catholic or Protestant communities remain practically empty every Sunday.

More important may be the deterrent effects which religious affiliation may have upon activities contributing to economic success. As noted earlier, the Roman Catholic Church has discouraged Indian parents from sending their children to secular schools, as well as discouraging migration from Indian reserves. This educational policy may well serve to reduce the level of educational attainments among Indian Catholics, and to the extent that economic advancement depends increasingly on education, this may affect their future economic well-being adversely.

All this is by way of speculation, however. An attempt is made, in Table XX below, to provide some statistical measurement of church influence upon or relationships with various aspects of Indian life discussed above. The table presents data for the sample 36 bands, concerning per capita income, rates of natural increase (as measured roughly by percentage of population under the age of 16), mobility (as measured by percentage of band population living off the reserve -- for reasons mentioned earlier, 4 bands were omitted

## TABLE XX

## RELIGIOUS AFFILIATION AND OTHER VARIABLES

| Band | Religious Affiliation | | Per Cent Residing Off Reserves | Per Cent Population Under 16 Years | Education | | Per Capita Income |
|---|---|---|---|---|---|---|---|
| | Church | No. | | | % Grade 9 | % 16 in School | |
| Skidegate | UC | 3 | 18.0 | 34.5 | n/a | n/a | $1252 |
| Caughnawaga | RC | 0 | 27.1 | 32.1 | 4.7 | 2.1 | 793 |
| Walpole Is. | AC | 1 | 19.3 | 43.0 | 2.9 | 2.1 | 715 |
| Sheshaht | UC | 3 | 13.2 | 51.7 | 3.6 | 8.9 | 664 |
| Lorette | RC | 0 | 41.8 | 32.8 | 7.0 | 7.5 | 630 |
| Squamish | RC | 0 | 9.9 | 49.3 | 3.9 | 3.3 | 630 |
| Tyendinaga | M | 2 | 53.8 | 34.1 | 2.4 | 2.3 | 516 |
| Curve Lake | UC | 3 | 26.3 | 46.0 | 2.2 | 4.9 | 350 |
| Six Nations | M | 2 | 39.8 | 37.1 | 2.8 | 3.2 | 350 |
| Mistassini | AC | 1 | 20.0 | 50.1 | 2.2 | 2.0 | 341 |
| Masset | AC | 1 | 24.7 | 47.8 | n/a | n/a | 336 |
| Dog Rib Rae | RC | 0 | - | 42.4 | 0 | 0 | 332 |
| Port Simpson | UC | 3 | 33.0 | 49.7 | 2.9 | 3.6 | 325 |
| Kamloops | RC | 0 | 20.7 | 50.2 | 1.9 | 3.5 | 314 |
| Sarcee | M | .5 | 5.4 | 49.3 | 1.6 | 2.1 | 302 |
| Fort William | RC | 0 | 24.5 | 45.0 | 3.8 | 6.1 | 298 |
| Williams Lake | RC | 0 | 11.0 | 42.8 | 7.1 | 8.4 | 291 |
| Moose Factory | AC | 1 | 19.4 | 49.7 | 1.8 | 5.5 | 284 |
| Fort Alexander | RC | 0 | 17.7 | 54.1 | n/a | n/a | 255 |
| River Desert | RC | 0 | 20.5 | 36.1 | 1.8 | .4 | 250 |
| St. Mary's | RC | 0 | 25.6 | 32.3 | 3.4 | 3.3 | 249 |
| Attawapiskat | RC | 0 | - | 46.6 | 2.1 | 10.7 | 247 |
| Pointe Bleue | RC | 0 | 23.2 | 40.1 | 5.3 | 5.3 | 222 |
| Tobique | RC | 0 | 29.6 | 44.7 | 3.5 | 5.7 | 215 |
| Pikangikum | UC | 3 | - | 43.4 | 0 | 0 | 197 |
| Shubenacadie | RC | 0 | 41.6 | 43.3 | .8 | 1.2 | 180 |
| Oak River | AC | 1 | 2.3 | 50.6 | 0 | 0 | 176 |
| Rupert House | AC | 1 | 10.7 | 50.3 | 1.8 | 5.8 | 174 |
| Cold Lake | RC | 0 | 13.4 | 50.9 | 3.7 | 2.4 | 165 |
| Fort St. John | RC | 0 | 15.5 | 50.0 | 0 | 0 | 161 |
| Deer Lake, Ont. | UC | 3 | - | 52.1 | 0 | 0 | 156 |
| The Pas | AC | 1 | 8.8 | 50.1 | 0 | 10.4 | 140 |
| James Smith | AC | 1 | 3.7 | 52.2 | 3.1 | 5.7 | 126 |
| Peguis | AC | 1 | 8.0 | 45.7 | 4.0 | .7 | 99 |
| Big Cove | RC | 0 | 18.4 | 54.4 | 1.3 | 2.0 | 61 |
| Piapot | RC | 0 | 13.0 | 49.4 | n/a | n/a | 55 |
| Coefficient of Correlation with Religious Affiliation | | | .14 | .02 | .22 | .01 | .28 |

**for this calculation), and educational standards. These are each correlated with religious affiliation (Roman Catholic -- RC; Anglican -- AC; United Church -- UC; and Mixed -- M. Each of these is given a numerical symbol, as indicated, for purposes of statistical analysis; i.e. RC - 0; AC - 1; Mixed - 2; UC - 3. Sarcee was given the figure of .5 as its population is 52 per cent RC and 48 per cent AC).**

**It is readily evident from these data that there is no measurably significant correlation of religious affiliation with any of these variables.**

# CHAPTER VIII

## MAJOR TRENDS AND PROCESSES OF ECONOMIC DEVELOPMENT FOR INDIANS

Indian bands, as the preceding chapters bring out, differ widely in the degree of economic development they have achieved as measured by their per capita real incomes from gainful employment, and there is a wide variety of factors contributing to or impeding such development.

The factors having a high or significant degree of correlation with relative economic development of various bands have been examined and discussed at some length in preceding chapters. They are summarized in Table XXI below, ranked in descending order according to degree of correlation, positive or negative.

It is readily apparent that the most important variables determining the economic status of Indian bands as stressed earlier are those concerning wage or salaried employment rather than resource ownership or development, i.e. proportions of skilled workers, months of employment during the year, and average monthly or annual earnings. These account for seven out of the fourteen variables having a statistically significant degree, as well as the three variables showing the highest degree of correlation with average income.

The second in importance is ownership of household fixtures and appliances, i.e. telephones, indoor toilets, baths and electricity. In one sense this relationship is to be expected, to the point of being obvious. One would expect the highest percentage of households having such conveniences to be found in the highest income bands whose families can afford them. What is more important, however, is that in the bands in which a high proportion of households have such relatively expensive conveniences, and where they have become a required part of the accepted standard of living, band members will be strongly motivated to seek, and keep, the more skilled and better-paid types of jobs offering regular employment.

Three other variables show significant, but lower, degrees of correlation. These are: number of organizations in the band community; educational levels (as measured by the percentage of population educated beyond Grade IX); and rate of population growth (as measured by percentage of population below sixteen years of age). The first two of these are less amenable to precise or accurate measures of statistical correlation, and their relative importance is probably under-estimated in the table.

### A. Band Characteristics

In attempting to get a coherent picture, it is perhaps appropriate also to focus on the main features of the seven most developed bands in the sample of thirty-five under study. These are pictured below as more or less oversimplified models or profiles.

### (1) Developed

The outstanding features that characterize the more developed bands appear to be the following, in varying combinations:

First (and by far the most important) is dependence upon steady or regular wage and salaried employment; i.e. a large minority, or majority, of adult male band members employed at steady, reasonably well-paid semi-skilled labour, or regularly employed in highly-paid seasonal skilled labour.

Second (and much less important) is degree of urbanization. As opportunities for such wage or salaried employment tend to be concentrated in large metropolitan areas and industrial cities or towns, most (but not all) of the more developed bands are located within, or close to, such centres. It is readily apparent, however, that some notably depressed and under-developed bands are similarly situated while some relatively developed bands are non-urbanized in the above sense.

Third (and perhaps more important than degree of urbanization or accessibility) is degree of mobility, in terms of the proportion of band members willing or able to reside away from their reserves for extended periods or permanently. This is a characteristic of all the relatively well-developed bands with the exception of those in which most of the working members have found remunerative employment available within commuting distance of their reserves.

Fourth, ownership of or accessibility to resources, as stressed earlier, appears to be a minor factor in contributing to the economic development of band members. Apparent exceptions to this general hypothesis among the sample under study are some non-urbanized bands in British Columbia, such as Skidegate and Sheshaht. These are located in areas of intensive logging operations and most of their adult male workers are engaged in well-paid employment in that industry.

However, it is not so much the accessibility to forests as it is technical competence, enterprise, mobility and other human factors that account for the relative prosperity of these bands. Other bands in British Columbia that are equally well located in terms of access to lumber or fish are far less developed. Furthermore, the requirements of employment in the logging industry of this province, because of its special character, resemble those of most large-scale, highly capitalized and mechanized urban industries rather than the traditional primary resource industries. (Successful operations in British Columbia coastal fishing operations, likewise, require large capital investments, adaptability to rapid technological change, and a high degree of mobility.)

Fifth, degree of organization and participation, both within and outside of the band community. Here, as stressed earlier, the casual relationship to economic development is least clearly defined in this broad survey, and would require intensive studies of individual communities to establish. The pattern of organizational participation varies considerably among the more developed bands.

The seven most developed bands in the sample may be tabulated, in over-simplified form in terms of these major variables, as follows:

| Band | Employment | Urbanization | Mobility | Ownership or Access to Resources | Internal Organization |
|---|---|---|---|---|---|
| Caughnawaga | specialized | high | high | low | low |
| Squamish | specialized | high | low | low | low |
| Sheshaht | specialized | low | low | high | high |
| Skidegate | specialized | low | high | high | high |
| Lorette | diversified | high | high | low | low |
| Walpole Is. | diversified | medium | low | medium | high |
| Tyendinaga | diversified | medium | high | medium | high |

As may be seen from the above table, the variables in which the majority of developed bands are ranked as high are those of specialized employment (4:7) and mobility (4:7). Urbanization is classed as high where a band is located

## TABLE XXI

## SIGNIFICANT CORRELATIONS OF CERTAIN VARIABLES WITH PER CAPITA REAL INCOME OF BANDS, RANKED IN ORDER OF SIGNIFICANCE

| Variable | Coefficient of Correlation |
|---|---|
| Per cent of skilled workers in labour force | .79 |
| Average monthly earnings per worker | .77 |
| Percentage of adult males employed less than 6 months | -.76 |
| Percentage of adult males employed more than 9 months | .72 |
| Percentage of houses with indoor toilets | .72 |
| Percentage of houses with baths | .67 |
| Percentage of households with telephones | .64 |
| Average months of employment per job | .63 |
| Average annual earnings per worker | .61 |
| Average months of employment per worker | .60 |
| Percentage of houses with electricity | .55 |
| Number of organizations in band community | .47 |
| Percentage of population educated beyond Grade IX | .47 |
| Percentage of population under 16 years of age | -.46 |

(The above are deemed "significant" on the basis of a 99.5% probability. On the basis of 95%, one other variable would be added as being on the "borderline" of significance, namely:

Percentage of adult males employed less than 2 months -.41)

within a major metropolitan complex, medium where it is within commuting distance of industrial centres, and low where it is relatively isolated or beyond commuting distance of cities or towns providing employment for any large fraction of its resident band members; similarly, with ownership of, or access to, resources (depending on the proportion of band members deriving their livelihoods from them). From these variables certain characteristic patterns or models emerge as follows:

1. Highly urbanized and specialized role in economy

   Caughnawaga - high mobility, low organization
   Squamish - low mobility, low organization
   Both - low access to resources

2. Highly urbanized and diversified in economy

   Lorette - high mobility, low organization
   - low access to resources

3. Low or medium urbanization, specialized, high access to resources

   Skidegate - low mobility, high organization
   Sheshaht - low mobility, low organization

4. Low or medium urbanized and diversified role in economy and medium access to resources

   Tyendinaga - high mobility, high organization
   Walpole Island - low mobility, high organization.

In general, the highly urbanized bands appear to have a relatively low degree of internal organization, whether specialized or diversified in their economic roles, perhaps because band members tend to participate more in outside, non-reserve activities and organizations. The reverse tends to be the case with the more highly developed, non-urban or medium-urbanized bands.

A low rate of mobility, as noted before, appears to be induced mainly by accessibility to remunerative employment within commuting distance of reserves, whether such employment is in urban industry or in resources. Another factor, however, may be the number, variety and duration of contacts of band members with White society at different levels. This is suggested by the generally much higher mobility (as measured by the percentage of band members residing away from their reserves) of the larger more developed bands in Ontario and Quebec (e.g. Tyendinaga - 53.8 per cent, Caughnawaga - 27.11 per cent, Lorette 41.8%, and Walpole Island 19.3 per cent) as compared to British Columbia (e.g. Skidegate - 18.0 per cent, Squamish - 9.9 per cent, and Sheshaht - 13.2 per cent).

## (2) Transitional

The division between the categories of developed and transitional bands is rather arbitrary. However, if per capita real income from gainful employment is acceptable as a measure of economic development, there is a significant gap of more than $100 or about 25 per cent, between the lowest income developed band; namely, Tyendinaga, and the highest income transitional bands; namely, Curve Lake and Six Nations. The transitional category is meant to include those bands which are in a favourable position with regard to some factors (e.g. access to urban centres or to resources; mobility; organizational activity or leadership) but unfavourable with regard to others. Some are undergoing a rapid process of development from a previously depressed state, while others are in a static or deteriorating situation, despite otherwise favourable circumstances. They tend to fall into much the same patterns as the developed bands with regard to combinations of different variables.

**Six Nations.** To put this band in the transitional category perhaps merits a special explanation.

First, it may be partly due simply to a lack of accurate knowledge. Because of its unusually large size, with more than 7,000 members, it was much more difficult to get accurate estimates of duration of jobs and rates of pay for all working members in the community. This was particularly the case with non-resident band members, who comprise the unusually large proportion of 48 per cent. No estimates were attempted for this group (and, as noted earlier, in most bands -- and perhaps particularly for the Six Nations -- the non-resident members probably earn on the average a considerably higher income than the residents).

Second, the Six Nations Band has usually been thought of as the most advanced or progressive in the country, mainly because of a few individuals who have won national or international renown in various fields of endeavour. Many of these, of course, are no longer band members so do not contribute towards raising the statistic of average income. Still, the proportion of resident band members who are in the professional category (8 per cent) is several times higher than that of any one other band in the sample. But this is still a relatively small minority of the labour force. More than counterbalancing it are:

(a) the low participation rate of adults in the labour force (only 24+ per cent);

(b) the relatively small percentage of participating workers in the higher paid skilled category (as evidenced by the relatively low average monthly rates of pay in Table X);

(c) while data regarding the months of employment of employable males are lacking, it seems evident that there is a relatively high rate of unemployment and/or a relatively low average duration of jobs, (i.e. 7.5 months, and 4.0 months per job as shown in Table I); and finally,

(d) a relatively high rate of low-income dependency for certain groups (for instance, the number of residents receiving disability pensions is 127, or 16 per cent of all households, as compared to 4 per cent in Caughnawaga, 2 per cent in Squamish, 8 per cent in Tyendinaga, and 0 per cent in Sheshaht, as examples among the more developed bands.

Curve Lake Lacks ownership or access to resources; there is diversified employment, depending primarily on wage-paying jobs, but more distant from industrial centres with job opportunities, or industries offering high rates of pay, together with a lower rate of mobility, than the more developed bands; hence, smaller proportions of skilled, lower average rates of pay, and higher rates of unemployment.

Port Simpson and Masset Non-urban, specialized, resource-based economies; displacement from specialized fishing and canning, partial (and, compared to Skidegate, incomplete and less successful) shift to logging; hence, higher rates of unemployment.

Kamloops. Formerly depressed and underdeveloped, depending on ranching and casual farm labour, supplemented by farmland and timber leases; recent shift to industrial leases providing new opportunities for diversified wage employment, but at relatively low rates of pay. High mobility and high degree of organization.

Mistassini and Dog Rib Rae. Bands which have largely continued the economy of hunting, fishing and trapping, but in which a growing minority have found new opportunities for casual or seasonal wage employment in mining, forestry and auxiliary activities. High mobility and low degree of organization.

Sarcee and Blood. Ownership of and access to a wealth of resources, as well as to metropolitan centre which offers manifold job opportunities, but failure to utilize these assets fully (due, in large part, to the income derived from resource ownership). Low mobility.

### (3) Depressed or Under-developed

The dividing line between the categories of transitional and under-developed bands, again, is arbitrary in principle and blurred at the margin. The lowest income bands, however, tend to fall into relatively simple, clearly defined types, as compared to the developed and transitional types described above.

(a) The relatively numerous, geographically isolated bands across the vast northern wooded belt, most of whose members have been partially or wholly displaced from their hunting, trapping and fishing economies, have lost their mobility, failed to find alternative opportunities for employment, and thus come to depend mainly on welfare. (e.g. Golden Lake; Cross Lake and God's Lake; Fond du Lac; and, until the discovery of rich oil resources on band reserve land, Hay Lake.)

(b) Bands in predominantly farming areas, in which opportunities for wage employment are lacking (other than in low-paid casual farm labour). (e.g. Piapot, James Smith and Peguis.)

(c) Bands located in areas lacking in farmland or other utilizable resources, and isolated from main centres of employment. (e.g. Big Cove and Shubenacadie.)

(d) Bands located close to metropolitan or industrial centres, but lacking the skills, motivation, or acceptance in the White community, required for economic development. (e.g. Musqueam, Kenora and Fort Alexander.)

All four of these categories of depressed or under-developed bands are generally low in internal organization. Some, like Musqueam and Fort Alexander, have a small minority of highly paid, regularly employed skilled workers in nearby industrial enterprises but, for various reasons, these have not managed to exert a sufficient demonstration effect upon the rest of the community to encourage any significant shift into better-paid types of employment. Some of the more depressed bands show high rates of mobility but this is not on a sufficient scale to compensate for the lack of resources or job opportunities locally available to the majority of band members who remain on their reserves.

## B. The Process of Economic Development in Stages

From the above comparison of Indian bands of widely varying income levels, the range of economic development may be illustrated as extending from the most isolated, local resource-based, dependent and depressed bands, at the one extreme, to the most economically integrated urban bands at the other, whose working members are employed in a variety of jobs that come close to a representative cross-section of an urban-industrial White population.

Degree of economic development for Indians, as measured by per capita income from gainful employment tends to be closely correlated with the degree of industrialization and urbanization in work behaviour, and way of life generally of individuals and groups. Degree of industrialization and urbanization would be determined not so much in terms of location as in the job characteristics and requirements of industries and occupations in which people are employed. In most cases -- depending mainly on location -- it involves mobility in the sense of a prolonged absence or permanent separation or break from the reserve. More important, however, is the degree of break from the reserve culture, and the attitudes, values and behaviour patterns that it tends to generate. Industrialization and urbanization would be measured in terms of such criteria as degree of mechanization and size of capital investment per worker; division of labour and proportions of skilled to unskilled in the labour force; rates of pay; regularity of employment; rules and sanctions governing hours of work, punctuality, tardiness or absenteeism, quality and pace of work, promotions, transferences, layoffs and dismissals; and the like.

From this perspective, then, we may view the process of economic development as a progression of individuals and groups through a series of different types of industries and occupations having job requirements and characteristics ranging from the least to the most industrialized and urbanized. The order of progression may be viewed somewhat as follows:

1. subsistence hunting, fishing, trapping, food and fuel-wood gathering and marginal farming, supplemented by intermittent domestic handicrafts;

2. casual, seasonal and non-recurrent commercial employment for short periods in such jobs as guiding, fishing, and fish canning or processing, fruit and vegetable canning, casual farm labour, logging (other than along the British Columbia coastal region), pole- and pulpwood-cutting, clearing and unskilled construction labour, fire-fighting;

3. regular or recurrent seasonal employment over longer periods of the year in such fields as semi-skilled or skilled construction work, road and railway maintenance, truck driving, longshoring, logging and sawmilling in some areas and various seasonal secondary industries (particularly in food handling and processing);

4. regular full-time or permanent employment in a non-urban setting, in such fields as commercial farming; highway and railway maintenance; maintenance, repair, service and clerical employment in larger bands; government employees in game and forestry conservation; and the like;

5. specialized full-time or recurrent seasonal employment and residence in relatively high-wage, urban-located industries, particularly in small and medium-sized industrial towns, such as larger sawmills and planing mills, plywood, pulp and paper plants; mining and smelting operations; factory work, particularly in the semi-finished category; building construction, maintenance and repair; automotive transportation; and various clerical and service occupations;

6. full-time employment and residence in urban communities, particularly large metropolitan centres, in diverse occupations representative of a metropolitan population, ranging from unskilled to the most skilled, technical and professional jobs.

It seems evident that any substantial improvement in the economic position of Indians generally will require the movement of large and increasing numbers from the overcrowded low-income resource-based industries and locales in which they now work and reside into better-paid wage and salaried employment in other industries, which, in most cases, will probably be beyond commuting distance from their reserves More efficient development and utilization of resources accessible to their home reserves should be deemed distinctly secondary in importance and designed essentially for the residue who have special skill or promise in working in local resource-based industries, or who, for various reasons, will be unable to adjust to migration and relocation.

The process of industrialization and urbanization as described above should not, of course, be viewed as a process in which every Indian must unavoidably go through every higher stage in order to obtain the best employment. There are enough case histories over the past ten years or more to demonstrate fairly conclusively that individual Indians, given sufficiently careful selection, training, placement, and counselling, can bridge the wide gap between a relatively simple, isolated and local resource-based band to living and working successfully in a complex metropolitan environment. The question is not so much whether it can be done as whether it can be expected to occur or can be brought about on a sufficient scale to relieve the present and growing pressure of population on resources and job opportunities in many communities with their consequent under-employment, poverty and dependency. It would seem that bigger and quicker results would be achieved by putting the main priority on encouraging the movement of Indians in as large numbers as possible, into the types of jobs which are most easily available or attainable in terms of their location, skills, motivations, and job preferences, rather than focussing on the training of the minority of more promising Indians for special achievements though this latter objective should be maintained, by all means.

Perhaps this question is really a difference in emphasis as between short-term and long-term objectives. The Indian Affairs Branch is now dedicated to the principle that Indians, like Whites, should be provided with all the educational opportunities that they can utilize effectively, to enable every Indian to develop to his full capacities. One cannot quarrel with this objective for Indians, any more than for the population generally. If Indians are to be enabled to develop economically to the point of achieving equal or comparable levels of income and occupational status with Whites generally, one of the essential requirements will be that they receive levels of education and training generally equal or comparable to the White majority. In view of the at-present low levels of educational achievement of most Indians, however, coupled with deficiencies in educational personnel and facilities, and numerous deterrent factors in the home and community environments among many bands, it seems evident that such educational and economic equality will take, at best, many years to achieve. Meanwhile, there are pressing problems of widespread unemployment and under-employment, as well as large and increasing numbers of young Indians reaching working age year by year. The more immediate and pressing need, therefore, would appear to be to educate and train Indians, in the largest possible numbers, to take advantage of the job opportunities that are most readily available to them.

Specifically, what is suggested is that the most rapid and in the aggregate the greatest improvement in the economic status of Indians could be achieved by a really massive effort to encourage and enable large numbers of them to move out of trapping, fishing and marginal farming into wage employment in seasonal industries such as logging, construction and railway maintenance; from these into more regular and secure types of employment, such as in sawmilling, pulp and paper, smelting and maintenance work in industrial towns; and so on.

This sort of approach is far from novel or original, of course. It has been followed by the Indian Affairs Branch in various parts of the country for several years with varying degrees of intensity.

This sort of policy may be open to criticism on several grounds:

(a) It is discriminatory in principle to assume that most Indians have natural attributes and preferences for seasonal outdoor jobs in non-urban settings, or that they naturally have difficulty in settling down to steady jobs at regular hours in urban environments. Furthermore, even if the assumption were realistic for the majority, it would be unfair and undemocratic to neglect the interests of the minority of Indians having special abilities, or those who do not have the physical or tempermental attributes required for certain types of skilled or semi-skilled manual labour.

In brief, the argument seems to boil down to the following proposition: If Indians are to be given equal opportunities with Whites to develop to levels of approximate equality economically and otherwise, the full range of educational or training facilities and job openings at all levels must be made available to them on the same basis. In effect this would mean that the main metropolitan centres, with their multiplicity of special services and facilities, and their potentially unlimited opportunities for employment, must be rendered, one way or another, as accessible to Indians as to Whites. For it is in the metropolitan areas which have an increasing majority of the nation's population, in which are concentrated most special facilities and services for education and training, medicine and public health, trade and industry and economic activity -- in brief, the very nature of our urban industrial society is controlled and shaped by our metropolitan centres.

(b) There is also a practical matter of policy to be considered. Large metropolitan centres are cosmopolitan and multi-racial or multi-ethnic in composition and more tolerant of deviant behaviour or physical or cultural differences than are small or medium-sized towns. The criteria of employability are more likely to be the objective ones of formal training and measurable efficiency rather than family or racial background. On these grounds, then, it could be argued that Indians could be absorbed into employment in larger numbers and would find the adjustment to urban living easier in large metropolitan centres than in small towns.

There has been a very limited amount of research done on Indian workers and residents of metropolitan areas, and the findings are far from conclusive. J.D. Fransen (formerly Assistant Indian Affairs Branch Superintendent in Southern Ontario, and now with the Indian and Metis Branch of the Saskatchewan Government) has recently completed a study for his Master of Social Work degree at the University of Toronto.[1] The group of Indians he studied showed a high degree of adaptability to urban work. They were performing a wide variety of jobs requiring various levels of skill and training. All but a few had experienced little or no prejudice or discriminatory treatment from employers or fellow workers. They showed distinctly positive attitudes to their jobs, had remained at them for several years, and a number had had promotions or were taking special education or training purely on their own initiative to advance themselves.

The group represented a random sample of thirty out of some 190 Indians known to be residing in Toronto. However, they proved to be of a rather special category, who could hardly be taken as representative of Indians generally in Ontario, much less Canada as a whole. They all came from eight bands in Southern Ontario -- one-third of the sample from Six Nations alone -- all of which are located near medium-sized urban communities. They could be presumed, then, to be already more urbanized and capable of adjusting to city life than Indians from more remote localities. Furthermore, they all are relatively young, and most are single and/or childless so have limited responsibilities. And finally, they are all able to make return visits to their home reserves on weekends without excessive time or expense.

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[1] J.D. Fransen, "Employment Experience and Economic Position of a Selected Group of Indians in Metropolitan Toronto", June, 1964.

(c) In general, then, a program designed to increase greatly the movement of the more specially gifted or qualified Indians out of reserves and into major metropolitan centres to work in a variety of skilled jobs is greatly to be desired on several counts. For one thing, Indians generally tend to lack a middle class, employed in technical, professional or semi-professional positions of status who could act effectively as leaders and spokesmen for their interests. And, for the more depressed Indian bands located close to large metropolitan centres, their employment off the reserve seems to be the only feasible path for economic development in any case. In the foreseeable future, it is reasonable to expect that increasing numbers and proportions of Indians will gravitate to the major metropolitan centres for residence and employment, as has been occurring among the White population for several decades. If such is the prospect, it would seem only feasible to put growing emphasis on educating, training and conditioning Indians -- particularly those below sixteen years of age, who comprise about one-half the total population -- for living and working in metropolitan environments.

But, to repeat, this cannot be relied upon, in the short run at least, to deal with the larger problems of excess population and under-development of the many Indian bands in the more northern wooded regions as well as numerous farming areas across the country. For one thing, as noted before, the educational deficiencies of most Indians from such environments at present rule out their acquiring high school and post-secondary vocational training of the kinds that seem increasingly necessary for successful adjustment in the metropolitan economy. The relatively small stream of young Indians who come from various bands to Vancouver, Winnipeg or Toronto each year for special education and training and who become placed successfully in employment, fall far short of the flood of young Indians reaching working age each year in British Columbia, Manitoba or Ontario in areas of serious under-employment.

To meet this problem would require moving much larger numbers into, and through, a range of middle positions such as listed in the table of industries and occupation in the urban-industrial spectrum above. The crucial link in this regard would appear to be those in the category described in No. 5 -- i.e. full-time or regular seasonal employment in such industries as pulp and paper, mining and smelting, sawmilling, plywood and various service and repair fields related to these.

These fields seem to offer several possibilities for Indians:

1. They are expanding rapidly in new small or medium-sized towns that are being established, or already established, in areas with sizable under-employment of resident Indian populations so that for many the problems of distance and transportation costs are not too great.

2. The types of employment in primary manufacturing and related seasonal occupations appear to be more in line with the work experiences and job preferences of Indians coming from local resource-based economies than would be work in secondary manufacturing or large offices in major urban centres.

3. Because of their size and location, many of the smaller or medium-sized industrial towns offer more opportunities to Indians to participate in hunting, fishing, guiding and food-gathering on weekends or holidays.

4. The demonstration effect on fellow band members is likely to be more readily observable and effective in inducing migration out of reserves and into new areas of employment where numbers become employed at reasonably steady and well-paid manual, clerical or service jobs in accessible industrial or business centres, as

compared with that of a few individuals who make the big jump and become established in a large and distant city.

Every placement of a worker at this key point could potentially create a chain reaction that would open up new and better job prospects for four or five others and thus greatly increase mobility. Steady workers recruited for work in sawmills, pulp plants or smelters from the ranks of seasonal railway or highway maintenance workers, or maintenance and repair workers on reserves, would in turn make new jobs in these latter fields available to otherwise unemployed Indians who remain overcrowded in hunting, trapping, and fishing and who must depend on relief for much of their livelihood; and so on.

The main difficulty of getting Indians placed in these middle levels of industrial employment, as noted earlier, seems to be in attitudes of exclusiveness or hostility towards them by White employers and residents. In the unprecedented industrial expansion that Canada has experienced since the War, many new industrial communities have developed in many parts of the country, from which Indians have been almost entirely excluded. It will require a major effort of planning and pressure to get any large number of Indians established in such communities but the potential economic gains to be achieved would seem to far outweigh the costs.

# CHAPTER IX

## GENERAL PROSPECTS, BY MAJOR REGIONS

The previous chapter has outlined the trends whose encouragement would seem to promise the greatest degree of improvement in the economic position of Indians in Canada. The general pattern is that of a series of shifts through different stages of industrialization and urbanization.

The pattern differs considerably and appropriate economic policies would, therefore, have to vary among the major provinces or regions across the country. The rate and pattern of change would depend upon such variables as:

-- the size, structure, and location of major industries;
-- amounts, location and types of resources (including climate and topography) and location of main markets, on which the industrial structure is based;
-- present and anticipated rates of growth in output and employment;
-- distribution of the total population in communities of different size and type;
-- location of Indian communities of various sizes in relation to usable resources, transportation facilities, and White centres of industry and population having employment opportunities;
-- degrees and patterns of mobility in response to economic opportunities.

There are wide variations in the degree of economic development achieved to date, widely unequal rates of growth in the foreseeable future, and hence widely unequal economic prospects for Indians among the major regions in the country.

### (1) British Columbia

While not as highly developed industrially as Ontario, and having a slightly lower per capita income from all sources for the total population, British Columbia has the most prosperous Indian population as a whole and offers the most favourable prospects for the economic development of this minority in the immediate future. This view is based on several findings:

(a) The size and location of Indian bands. Unlike most other provinces, British Columbia's Indian population comprises a large number of relatively small bands. While comprising less than one-fifth of the total Indian population in Canada, they account for some 180, or almost one-third, of the 560-odd bands in Canada, and these have almost 2,000 reserves. Few bands in this province have more than 1,000 members, and none has as many as 2,000.

Most of these bands, furthermore, appear to be favourably located in relation to job and income-producing resources, to transportation facilities, and to centres of industry and population. One large segment of the population resides in numerous bands along the mainland coast from Vancouver to the Alaskan Boundary, as well as Vancouver Island, the Queen Charlottes, and lesser islands. Most of the bands in the interior of the province have fairly easy access to transportation by railway, highway, or waterway. Only a small minority of the Indian population of the province is located on reserves more than a few hours travel by boat, automobile or train to sizable industrial or commercial centres.

(b) British Columbia has been undergoing a rapid rate of economic growth in recent years, with types of industries that are, on balance, favourable to the employment of Indians in terms of their present location and job preferences. Along the coast, fishing and fish canning or processing until recently provided the largest single field of employment for Indians. They have faced increasing displacement in recent years because of mechanization and larger-scale operations, coupled with increasing competition from other ethnic groups. A minority of the more able and enterprising Indians in the fishing industry, as noted in previous chapters, has remained among the most prosperous in the country, but the majority in it appears to be under-employed and earning inadequate incomes which require supplementing from other sources.

More than compensating for this trend in fishing, however, has been the great and growing expansion in the forest products industry generally on the coast -- logging, sawmilling, plywood, pulp and paper production and related service industries such as towing or transporting, loading and shipping. While the employment of Indians in processing industries such as plywood, pulp and paper production has been limited, there has been rapid expansion in logging and sawmilling. While adequate statistics are lacking, there appear to be far more Indians now employed in these two fields, as well as longshoring, on the coast, than was the case in the fairly detailed employment survey of Indians in British Columbia some ten years ago.[1] A particularly favourable trend has been the rapid expansion of logging in areas of predominantly Indian population in which the displacement of Indians from fishing has been most severe, as in Vancouver Island, the Queen Charlottes, and along the Skeena and Nass Rivers.

Similar expansion has been occurring in the interior, particularly the northern interior sections of the province. New pulp, paper and plywood plants and planermills have been, and are being, established in numerous centres. Again, while relatively few Indians have been employed in processing establishments, increasing numbers appear to have shifted from trapping and marginal farming or ranching operations to seasonal employment in logging and sawmilling.

Even more spectacular, in some respects, has been the rapid growth in the construction industry, particularly, again, in the interior of the province -- most notably, the Peace River and Columbia River power projects, each involving hundreds of millions of dollars, in the northern interior and southern interior respectively. More than 200 Indians have been, and are now, employed on the former project, in rough clearing and construction work -- most of them recruited from dozens of under-employed and depressed bands over a wide area. Many more are employed in various parts of the province in road building and powerline construction and in the initial phases of new resource development projects such as pulp and paper plants, mines and the like.

As stressed below, however, a major effort will be required in British Columbia, as in other provinces, to get larger numbers of Indians employed in the processing and tertiary sectors of the economy, once the initial developmental phase of the present expansion is finished.

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[1] Hawthorn, Belshaw, Jamieson, The Indians of British Columbia.

### (2) Prairie Provinces

Owing to topographical features and natural barriers to transportation and communication, it is customary to look upon the Prairies as one region in which the three provinces have certain characteristics and problems in common, contrasting sharply, in many respects, from British Columbia to the West, and Ontario, Quebec and the Maritimes to the East.

In analysing the economic problems and prospects of the Indian population in these provinces, however, it would perhaps be more realistic to divide Canada generally into four main regions, on a north-and-south, rather than east-and-west basis, as follows:

(a) the Maritimes;

(b) the lower St. Lawrence Valley and Southern Ontario, having a high density of population and a major concentration of urban industry;

(c) the plains and foothills regions of the Prairie Provinces;

(d) the vast northern forest, rock, and muskeg belt, occupying virtually all of Quebec and Ontario north of the St. Lawrence and Great Lakes, more than three-quarters of Manitoba running from the southeast corner to the north and west of Lake Winnipeg, almost one-half of Saskatchewan and about one-third of Alberta, and including the Yukon and Northwest Territories as well as the large part of British Columbia lying north of the C.N.R. line from Prince George to Prince Rupert.

The economic positions of the majority of Indian bands throughout this vast northern region, and the special maladjustments and problems they face are fundamentally similar, based as they are primarily upon hunting, fishing, and trapping supplemented by casual wage work and relief. These are discussed in general terms below. However, the number and proportion of Indians in each province residing in the northern and southern belts respectively, and the northern Indians' prospects for finding alternative employment in other industries, appear to differ appreciably. The northern regions of the Prairie provinces -- particularly Manitoba and Saskatchewan -- as well as the Yukon and Northwest Territories, appear to face special difficulties in this regard.

### Economy of the Northern Indians

The fishing and trapping economies of Indians throughout the northern belt appear to be facing similar trends and problems. A combination of rapid population growth, excessive trapping and depletion of game and fur-bearing animals in some areas, obsolete or inefficient organization, techniques and equipment, competition of substitutes and consequent low prices for wild furs in recent years, all have led to inadequately low and declining returns to trappers over the past decade or more. These, coupled with rising consumer expectations and with stricter control over school attendance as a condition for receiving family allowances, in turn have reduced incentives to trap and consequently mobility. To an increasing extent, people have ceased to carry on trapping, and come to reside the year round in large and permanent settlements built around schools, nursing stations, Hudson's Bay Company stores, Indian Affairs Branch offices and other such institutions. In many cases, they depend upon relief, family allowances, old age pension and assistance cheques, and other government subsidies or welfare payments for the major part of their income.

In comparison or contrast to the situation in British Columbia, a large proportion of Indians in the northern region in the Prairie provinces as well as Northern Ontario are concentrated in a few large bands which are poorly located in terms of access to transportation facilities and industrial or business centres offering alternative job opportunities. This is particularly the case in Northern Saskatchewan and Manitoba. In the latter, an Indian population of more than 16,000 belongs to only twenty-two bands, compared to the 180 bands for 40,000 people in British Columbia. And in the former, some of the largest bands such as Norway House and Island Lake, each with almost 3,000 residents, are located in areas accessible only by expensive transportation by air, or by long and arduous water, snowmobile or bombardier transportation, over hundreds of miles from any urban centre. The same is true of certain relatively large Indian communities in Northern Ontario, such as Big Trout Lake.

Within this broad perspective, of course, the picture varies considerably from band to band and area to area across this huge region. The size of the northern region, and the numbers of Indians residing in it vary widely from province to province. Northern Manitoba, for instance, had roughly 16,000 Indians and 4,000 Metis in 1962, while Northern Saskatchewan, much smaller in area and resources, had 5,520 Indians and 4,240 Metis. By contrast, the predominantly trapping Indian population in Northern British Columbia numbers less than 1,000. Again, Northern Ontario, while smaller than Northern Quebec (as defined earlier), has several times the Indian population of the latter.

In Northern Saskatchewan, despite considerable effort and planning for conservation and development, coupled with improved marketing and distribution, the annual fur catch appears to have reached an upper limit, despite inadequate returns averaging only \$300 - \$400 per annum to trappers, and their consequent growing dependence on relief.[1] In Northern Manitoba, by contrast, an intensive survey under government auspices in 1962 came to the conclusion that only 20 per cent of the potential wild fur was being harvested, though the income to trappers was hardly any better on the average than in Northern Saskatchewan.[2] As a third variant, a number of bands, particularly in the Yukon and Northwest Territories, as well as some parts of Northern Quebec, have remained largely mobile and self-supporting in hunting, trapping and fishing, albeit at low levels of income.

The decline in income and employment in trapping during the 1950's and early 1960's has been compensated, to some extent, by the opening up and development of commercial fishing in an increasing number of northern lakes. This has been a particularly notable development in Manitoba and, to a lesser extent, Ontario and Saskatchewan. In the former, fishing in recent years has provided a considerably larger total cash income, though less employment, than trapping. It still provides far from adequate returns, however, averaging less than \$500 per annum, and its prospects are uncertain, due again to long distance from markets, high transportation costs, poor organization and distribution, inefficient and obsolete techniques and equipment, and the like.[3]

Guiding, fire-fighting, pulpwood cutting, seasonal road and railway building and maintenance have also provided supplementary employment to considerable numbers of Indians in numerous northern areas.

Again, some bands such as Hay Lake in Northwestern Alberta, are located in areas with large tracts of potentially arable farmland and commercial timber stands, as possible alternative sources of gainful employment and are now receiving large revenues from the discovery of oil resources on their reserves. Similarly, a number of bands in Northern Quebec and Ontario and in Northwestern Manitoba have potentially large new employment opportunities with the development of major mining and smelting, pulp and paper, and hydro-electric power operations in their midst. Large developmental projects involving investments in the hundreds of millions of dollars, notably the Athabasca tar sands in Northern Alberta, the earlier mentioned Peace River power project in Northern British Columbia, and the Hamilton Falls power project in Northern Quebec, offer potentially great alternative employment opportunities for Indians in these areas. By contrast, large numbers of Indians in areas such as Northeastern Manitoba and most of Northern Saskatchewan, appear to have limited or inadequate alternative resources locally available to Indian communities, and few prospects for new industrial developments within reasonable access to any large number (though the recently announced project for hydro power development on the Nelson River in Northern Manitoba may change the picture dramatically in this region).

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[1] Buckley, Kew and Hawley, op.cit.

[2] "Manitoba, 1962-75', Report, Committee on Manitoba's economic Future, Government of Manitoba, Winnipeg, 1963.

[3] Buckley, Kew and Hawley, op.cit.; Manitoba, 1962-75 Report.

Considering the present levels of inefficiency, a great deal could be done through larger investments in equipment, personnel and training to improve the utilization of available resources and improve the levels of real income of Indians who depend upon trapping and fishing.

In their domestic economies, for instance, part of the northern Indian household's real income is derived from domestic consumption of game, fish, fuelwood and timber, which, in urbanized areas, would require large outlays in cash. (As noted in Chapter II, an arbitrary allowance of $50 monthly for a six-month period was made for northern bands in estimating their annual per capita real incomes from gainful employment.) With rapidly increasing populations and reduced mobility, however, Indian households in many communities, particularly the larger ones, find it increasingly difficult to supply themselves with these necessities within a distance feasible for transporting the produce back to the home, due to depletion of resources within a widening radius of their settlements. The real income per man hour of labour is decreasing. Hence, there is increasing reliance on purchased food, clothing, fuel and lumber, and these are sold at far higher prices than in the more populated areas in the south, owing to high transportation costs in importing them from outside. Through better organization and proper transportation facilities, many communities in the north could more economically utilize hitherto untapped resources at greater distances, over much larger areas. Again, a number of reserves in the northern region contain, or have access to, areas of arable land which could be used to grow vegetables of much better quality, and far lower in cost than the dried, canned or occasional fresh varieties available in local stores.

Much higher total and per capita incomes would likewise be possible for Indians engaged in commercial trapping and fishing through more efficient organization and up-to-date techniques and equipment, as a number of studies have brought out. The effects on total employment, however, are more problematical. The most intensive study of the economic potential for Indians and Metis of resource industries in the northern belt was carried out in Northern Manitoba by numerous outside consultants and experts on behalf of the Manitoba Government in 1962. In view of the fact that the wild fur industry in that region was being exploited to only 20 per cent of its full potential, the research findings were to the effect that the industry, currently employing some 3,000 trappers earning in toto only $1 million per annum or $300 per capita, could, through proper equipment and organization, be made to yield a total of $5 million per annum for 5,000 trappers, or an average of $1,000 per capita for a three to four-month trapping season. This potential, however, could be reached only if supported by other supplementary or supporting sources of income and employment (notably fishing), coupled with relatively drastic provisions concerning such matters as education and social welfare.

Increasingly, however, as noted earlier, commercial fishing has been the main supplementary employment to trapping, and now exceeds it in total income yielded. However, it was found in another special research study in Manitoba that the improvements needed to bring this industry into an effective level of competition efficiency would involve a drastic reduction of the total labour force employed, from the prevailing level of 5,000 down to 1,500. This would be necessitated by large-scale, more mechanized operations, and the elimination of wasteful duplication in plant and facilities. The 3,500 displaced from fishing, it was concluded, would need re-training for employment in other industries.[1] Clearly, then, the changes recommended for fishing would go counter to the requirements for increasing employment and income in trapping.

The intensive study of Indians and Metis in Northern Saskatchewan by Buckley, Kew and Hawley did not come up with such sensational estimates with regard to either the potential expansion of employment and income in trapping or the potential decline of employment in fishing. Its conclusions were, however, that employment and income prospects in these older resource-based industries were at best limited and inadequate for a population increasing at an unusually rapid rate. Numerous other less comprehensive studies of other parts of the northern belt seem to reach much the same conclusions.

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[1] *Ibid*., p. V-4-3. For a fuller analysis of the economic prospects of Indians in Northern Manitoba, see Jamieson and Hawthorn, The Role of Native People in the Economic Development of Northern Manitoba.

## Alternative Sources of Employment

In general then, if the maximum efficiency in resource use were achieved through modernization of equipment, intensive training in new techniques, and improvements in processing and marketing, the average real incomes of Indians engaged in trapping and fishing could be raised appreciably to yield monthly rates of pay comparable to those of other industries. The total employment prospects, however, appear to be static or declining, in terms of conservation requirements. At best, they fall far short of meeting the needs of a rapidly expanding population (particularly where the expansion is most rapid among the younger groups now reaching working age). And, in view of the high seasonality of northern trapping and fishing -- providing, at best, only six to seven months employment per annum -- the average annual earnings from these industries would still fall considerably short of the levels deemed adequate by urban standards. Finally, there is the fact to be faced that a large and growing number of young people arriving at working age in the northern areas, owing to the requirements of more-or-less continuous school attendance, are incapable of earning an adequate livelihood from trapping and fishing in any case, for skill in these activities is to a large extent dependent upon detailed and intimate knowledge of terrain and of the life habits of fish and game -- knowledge of a kind that is acquired through long years of apprenticeship from boyhood on.

The conclusion seems unavoidable, therefore, that any substantial improvement in the employment and income prospects of northern Indians will be possible only with a large-scale migration to, and relocation in, areas offering opportunities for remunerative wage employment. Alternative possibilities in this regard merit some examination.

### (a) Southern Prairies

One major trend common to virtually all regions of the North American continent and particularly pronounced since World War II, has been the migration from rural to urban areas, and accompanying this a growing concentration of population in the larger metropolitan centres and nearby satellite business and industrial towns. For in these centres are concentrated the main secondary, financial, sales and service industries which are undergoing the most rapid rates of expansion in the economy, and which offer, therefore, the most opportunities for remunerative employment. In Canada, by the very nature of its geography, this population movement involves a predominantly north-to-south migration, at least of the Canadian-born.

Counterbalancing this trend, to some extent, has been a migration of people from the more populated areas in the south to hitherto thinly populated or unpopulated areas in the north, consequent upon improved transportation facilities, new resource development projects and the communities that develop around them. Only in British Columbia, however, has this counter-movement of population since World War II been of such a magnitude as to lead to a faster rate of population growth for the northern region as a whole than for the metropolitan centres.

A highly industrialized region like Southern Ontario could potentially absorb unlimited numbers of northern Indians displaced from primary employment (except for problems of technical training and social adaptation or adjustment). For reasons discussed briefly in the preceding chapter, however, this does not seem the most feasible way in the immediate future, at least, of attempting to deal with the growing problem of under-employment and dependency in the northern belt.

In the Prairies the southern plains and foothills region would appear incapable of absorbing large numbers of displaced northern Indians in any case, apart from the technical and social problems involved. Southern Manitoba and Southern and Central Saskatchewan are predominantly agricultural in their economies, with a limited degree of industrialization and a surplus rural population more than sufficient to fill the limited job opportunities available in the cities and towns of the region. Numerous bands residing in this region, as noted in an earlier chapter, are among the lowest income, most depressed and dependent groups in the country. Their real income per capita from gainful employment tends to be even lower than that of most northern bands, because they do not have the game, fish, fuelwood and timber available for home consumption.

Alberta appears to be in a better position than the other Prairie provinces. Southern and Central Alberta have been undergoing considerably greater expansion than the other Prairie provinces, due mainly to the discovery and development of major oil and gas resources and the multiplier effect these have had on further development of the other industrial and commercial activities. So far, however, this expansion appears to have benefited Indians to a very limited extent as far as gainful employment is concerned. It has yielded large band funds and revenues to certain bands, such as the Blood, Blackfoot, Sarcee and Sampson, and these, together with ownership of large tracts of arable land, have enabled numbers of Indians to become established in ranching. But relatively few have found remunerative wage employment in metropolitan Calgary or Edmonton or in the smaller towns.

(b) Northern Region

A limited number of Indians from northern communities, of course, have been migrating and resettling in southern cities and towns and their numbers are likely to increase in the future. However, for the next decade this seems unlikely to occur on a scale sufficient to meet the needs of rapid population growth in the north, as well as among bands in the southern region. The best hope for the former group, therefore, seems to lie in the development of new industries in the north itself that offer potentially new opportunities for employment to Indians and Metis in the region. Migration and relocation of northern Indians, in brief, seems to promise greater economic gains where directed to new centres of growth in the north itself, rather than from north to south.

The most promising industries as far as new employment possibilities in the north are concerned, are in forestry products (particularly pulp and paper) and in mining and smelting. These industries are already well developed in Northern Quebec and Ontario, of course, and are employing a considerable (though unknown) number of Indians. Further expansion on a large scale is to be expected. Most recent of the large new developments, involving actual or potential investments in the hundreds of millions of dollars, are those in iron ore in Northern Quebec, and in copper in Northern Ontario.

These two provinces likewise account for the major output of pulp and newsprint in the country. The long-run growth prospects of these products are highly favourable, and it seems likely that forestry operations to supply the raw material will be carried farther north in areas of predominantly, or entirely, Indian population.

Prospects are also favourable in Northern Manitoba, a region with a relatively large number of under-employed Indians in isolated communities. The mining and smelting industry in this region is far less developed than in Ontario and Quebec, but it has great potentialities. The three main mining and smelting centres of Flin Flon, Lynn Lake and Thompson in Northwestern Manitoba together have a population considerably larger than the entire non-urban, predominately Indian and Metis population of the whole vast region of Northern Manitoba. Thompson, with a population of approximately 6,000, is expected to grow to 20,000 or 25,000 in the next few years. There has been a high rate of turnover among mining and smelting workers. The new job openings in this one centre alone, therefore, are sufficient in number to more than match the numbers of under-employed or unemployed Indians and Metis in the northern section of the province (again, ignoring the problems of migration and relocation, training and social conditioning that would be involved). Large proven reserves, plus large suspected reserves, of mineral ores in the undeveloped area south and east of the Hudson Bay railway line offer the prospect of development in that area, as well as in the northwest.

The forest products industry likewise shows prospects of great expansion in output and employment opportunities. Northern Manitoba is one of the few remaining regions on the continent in which large tracts of potentially usable timber have remained virtually untouched and unclaimed. One estimate by a group of expert consultants hired by the Manitoba Government is that through proper methods of organization, conservation, development and utilization, the dollar value of output of forest products could be increased five times over and employment more than doubled from the current 8,000 to more than 18,000. The latter, moreover, could enjoy longer periods of employment and at higher rates of pay than now apply in the industry.[1]

Strong recommendations have been made to the Manitoba Government to facilitate the establishment of a large-scale pulp plant in the strategic centre of The Pas. Further recommended are large-scale pulp-log operations farther north and east in timber stands accessible by rivers and lakes to the Hudson Bay railway line for shipment of logs, in bulk, through the port of Churchill on Hudson's Bay. (At present there is only one pulp and newsprint plant in Manitoba, in the southeast section of the province some 80 miles northeast of Winnipeg, while only a few small sawmills operate in the northern sector.)

Such developments, of course, are contingent upon the provincial government adopting a vigorous program of public investment in roads, power lines and other facilities and services necessary to induce private capital to invest in major resource development projects.

Prospects in Northern Saskatchewan, according to the Report by Buckley, Kew, and Hawley, appear to be considerably more uncertain, despite the greater degree of government planning and control of resource use than in Manitoba. The explanation lies, of course, in the relative paucity of resources. To quote some more pertinent sections of the Report:

With regard to mining and smelting:

"Taking into account all the difficulties and uncertainties, it cannot be assumed that development will come, inevitably, within the next ten years. Neither can we assume that new mines will employ Indians and Metis. This consideration, above all others, demands a drastic revision in existing northern programs.

"What the future of mining holds for Indians and Metis depends less on new discoveries and more on training. In the absence of the latter, any number of new mines may be brought into production and the Indian will remain on the fringe of employment, as he has at Uranium City. But even without new mines, Indian people can be trained for jobs with existing companies.

". . . a training program would not threaten White workers now employed because many will leave Uranium City in any event. According to estimates supplied by Buck and Henderson, the labour turnover in northern mines generally varies between 50 and 200 per cent a year. (Buck & Henderson, '59, p. 106.) A training program, therefore, would take into account labour turnover as well as a possible expansion in the demand for labour in the future."

With regard to forest products industries:

"The timber industry does not employ large numbers of workers in the north. Of more than 500 sawmills in the province, only sixteen are located in the northern region. Of 2,700 men employed in Saskatchewan in 1961 -- at sawmills and in the woods -- only 255 were employed in the northern region. Moreover while northern labour seldom moves south, there is a considerable movement of forest workers from south to north. Therefore, what little employment there

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[1] "Manitoba 1962-75", Report, op.cit., part V, Sec. 3.

"is in the northern region goes to outsiders as much as it does to local men. The largest contractor, for example, employs seventy-five to eighty men, only forty of whom are Indians or Metis.

"In the province as a whole, Indians and Metis have actually lost ground in the timber industry as a result of mechanization.

"No great prospects appear to be in store for northern people as a result of the natural expansion of the timber industry. With a limited resource far from markets, northern mills are likely to remain small and few. Men better equipped than the Indian and Metis are likely to take the lion's share of employment."

With regard to pulp:

"What is needed, of course, is a mill or mills in Saskatchewan. According to the Stanford Study, the resource could support about six mills, each with a capacity of 300 tons per day. (Stanford Research Inst., '59, pp. 270-274.) For the present, the hope is to establish one medium-size mill (200 ton capacity). An operation of this size would employ around 200 men in the mill the year round, and probably 150 to 200 in the woods.

"It is clear that pulpmill prospects are a thin support for faith in new industry as the cure to northern poverty. The mill itself remains a question mark; yet even if construction began this year, the jobs could all be filled with ease by unemployed workers from the south. At best, Indians and Metis might get a share of employment in the woods, although experience in the timber industry suggests that this share would be rather small."

No such intensive studies of the economic problems and prospects of Indians in Northern Alberta have been undertaken, comparable to those quoted from Saskatchewan and Manitoba. The Canadian Shield accounts for a much smaller part of Alberta than of the other two provinces, and so the number and proportion of Indians in physically isolated communities who depend on trapping and fishing, supplemented by relief, and the problems posed by their relocation and re-employment in other industries, are correspondingly smaller. And, as noted earlier, Northern Alberta and British Columbia are, and will be, undergoing major developments -- most notably, the Peace River power and Athabasca tar sands projects -- that will, on paper, generate more than enough new jobs to absorb under-employed Indians in these provinces.

It is misleading, however, to discuss the northern region and the northern Indians and their employment prospects in terms of provincial boundaries. For many Indians, their main opportunities would appear to lie in an east-to-west pattern of mobility to developing centres of new industry. Over the northern region as a whole, as noted, industrial development to date is of a magnitude to employ far more workers than the resident Indians and Metis could provide in numbers alone. Hitherto, the labour employed in these industries has been drawn mainly from the southern regions and from immigrants, while the local people have been largely excluded. Problems of physical distance or unwillingness to move have not been the major barriers facing Indians and Metis. Historically, indeed, many of them have been notably mobile and adaptable, and many today seem little attached, on sentimental or other grounds, to their present localities. The present immobility of Indians is based, rather, on the provision of facilities and services and subsistence on reserves which are unavailable to them on the same basis in non-reserve centres, coupled with special difficulties getting and keeping jobs in such centres, and special difficulties in adjusting to urban life.

A study of this aspect was undertaken in Northern Manitoba on behalf of the Manitoba Government in 1962. Part of the findings, quoted at some length below, are probably applicable to comparable industrial centres throughout the northern region, from Quebec to British Columbia inclusive.

"A number of factors can be pointed to by way of explanation for this failure of Indians and Metis to take full advantage of their potential employment opportunities offered by industrial expansion in Northern Manitoba. Some of these are fairly obvious, others are subtle and complex. In gathering information on this question, we focussed on three companies and the industrial "communities that have grown around them. In seeking information we interviewed company officials, union leaders and members, government employees and others. The data they provided all seemed to fit into a fairly consistent picture, which we endeavour to present below. All three companies and industrial communities have had experiences in common, as regards Indian and Metis, but each has certain unique features. One of these industrial communities lies within easy commuting distance of a large Indian reserve, while the other two are located some distance away from Indian communities. Of these latter two, one town grew without much planning in its earlier stages, and now appears to have reached its peak. The other is a very carefully planned community that is undergoing rapid growth. Together, these three provide, we feel, a representative picture of the problems to be faced in the 'integration' of Indians and Metis into the modern industrial complex in which the hopes for economic development in Northern Manitoba must lie.

"In two large companies, which have been operating for several decades, 'dozens' of Indians have been employed at one time or another. Large numbers were taken on during and immediately after the war, when there was an acute labour shortage. Very few have remained. Officials of both companies now estimate that there are only 'about a dozen' on their payrolls. The explanations offered are as follows:

"(a) The inability of Indians and Metis, accustomed to seasonal outdoor work with a variable pace of operations, to adjust to jobs in such fields as mining and smelting, or pulp and paper processing, which require regular hours, punctuality, and a highly mechanized routine of work. Working in 8-hour shifts (8 a.m. to 4 p.m.; 4 p.m. to 12 p.m.; 12 p.m. to 8 a.m.) -- and shifts which vary for the individual worker from month to month -- the Indians and Metis found particularly difficult to get accustomed to. Mining and smelting work, it is stressed, is not like fishing or pulpwood cutting, or railroad maintenance work for that matter. One cannot add variable numbers of workers to an operation, or 'stretch out the job' if shorthanded. Each man has a special job, dealing with certain types of equipment. If a man fails to turn up for the job to relieve the man who has put in a shift, the latter has to stay at it, or another be called, and they have to be paid 'overtime' rates. Tardiness, absenteeism, or quitting without notice, therefore, leads to inefficiency and high labour costs. The experience with most Indians that were employed at one time or another in such operations was that they would quit voluntarily without notice, or be discharged for continual tardiness and absenteeism.

"(b) A number of Indian and Metis workers did, nonetheless, gradually become adjusted to the rigid schedules and requirements of mining and smelting or pulp and paper work. As on the Hudson Bay Railway line, company records show that numerous workers quit work several times, were re-employed, and finally 'settled down' to become 'steady', 'reliable' employees. A number of these, however, were finally 'beaten' by the pressure of the familiar family and kinsfolk obligations, with all the tensions, frictions and anxieties that these tend to create. In some cases the Indian's or Metis' home village was too distant for daily commuting, or for visits home on weekends, without an exorbitant cost to the worker. On the one hand, then, the Indian or Metis who left his wife and family back in the home community, in coming to work in an industrial town, would become lonely, anxious, and frustrated, worrying about his wife 'playing around with other men', or not being able to 'get by' and 'look after the kids' without his help at home. On the other hand, the Indian or Metis (well paid as he was by customary standards) who rented or bought a house in town and brought his family in, or whose reserve community was close enough for commuting, would soon find himself inundated with relatives and others who would 'eat and drink him out of house and home'. No matter how hard and conscientiously he might work and how much money he might earn, he would find himself no further ahead in the long run (or frequently, find that he was getting increasingly in debt). This, of course, is discouraging to individual incentives and morale. The reaction of the individual Indian or Metis caught in such circumstances tends to be either: (i) to 'give up', quit his job and revert to the traditional way of life and standard of living based on hunting and trapping, fishing, and relief; or (ii) take to drink to relieve his tensions, and sooner or later be fired for tardiness, absenteeism, careless or inefficient work. (Note: The traditional pressure on the better-paid or more fortunate to 'share' is perhaps particularly strong in situations "like these, where a few secure, well-paid employees have many indigent friends and relatives, and especially where such employees continue to reside in or near their home reserves, among fellow residents who live on a much lower scale, depending on odd seasonal jobs and relief.) Individual cases were cited to us in our survey, in which men averaging $7,000 a year or more, rent-free, found themselves getting steadily further in debt. Alternatively, in a few cases the breadwinner was able to free himself from such pressures only at the expense of virtually severing his and his family's emotional ties with kinsfolk and friends, and facing considerable hostility and ostracism from fellow members of the band. Success for a few individuals does not seem to have served as a 'symbol' of inspiration, to induce others to improve their work habits or strive for higher levels of attainment. Reactions of the less successful tend to be those of rationalization ('he's just lucky' or 'he's got pull') or of resentment ( who does he think he is'') rather than admiration of a model whose example is worth copying.

"(c) These tendencies on the part of Indians, and to some degree Metis, in turn affect the attitudes of Whites in larger industrial towns. An unfavourable stereotype of the 'native' develops, due to rather glaring examples of drunkenness and prostitution, overcrowding and slum housing, the slatternly appearance of womenfolk, lack of accepted standards of personal cleanliness and sanitation, and the like. Each community seems to have some sort of limit to its willingness or capacity to 'absorb' Indians and Metis, as indicated above in the limited numbers that reside in such towns as Flin Flon, Thompson and Pine Falls. A more or less subtle type of organized pressure or ostracism tends to develop among Whites in such communities, to prevent the rent or sale of housing to Indians or physically recognizable Metis, or their employment in various jobs in the sales or service field that involve 'meeting the public'. This, together with the unfavourable reputation that Indians and Metis tend to have as 'shiftless' and 'unreliable' workers, tends to 'freeze them out' of job opportunities in the multiplicity of secondary and service industries that develop in towns that have developed around one major industry such as mining and smelting or pulp and paper processing."[1]

The implications of the experiences outlined above seem highly important in regard to employment opportunities for Indians and Metis in new, rapidly expanding industrial communities such as Thompson and, possibly in the future, new towns that may develop around new pulp and paper plants.

Fairly long-established industrial towns such as Flin Flon or Pine Falls in Manitoba, appear to have already achieved most of their potential growth. Their own population supplies most or all of their labour needs except for a few highly specialized personnel who have to be recruited elsewhere. The attitudes and policies towards Indians or Metis tend to jell into certain patterns, owing to long experience.

In a new, rapidly growing community, however, such jelling has not had time to develop, and the potential opportunities for fitting Indians and Metis into new employment would seem greater. Thompson and the Inco mining and smelting operations nearby would seem to warrant special study in this regard.

Inco's huge investment in the complex nickel mining and smelting operations at Thompson, and the rapid growth of the town itself over the past years, has been the most highly publicized showpiece of economic growth in Northern Manitoba. In such developments as these lie the region's main economic hope. A few more such developments, particularly in locations having good mineral prospects such as Island Lake and God's Lake, would make it economically feasible to build railroads and roads or highways into areas now virtually inaccessible by land transportation. Such facilities, in turn, would make it feasible to tap resources (particularly timber) that up to now have been uneconomical to utilize because of distance from markets and impossibly high transportation costs. And, as noted, the mining and smelting industry payroll has a multiplier effect in the variety of secondary and service industries that it can support.

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[1] S. Jamieson, H. Hawthorn, "The Role of Native People in Industrial Development in Northern Manitoba, 1960-1975", A Report prepared for the Committee on Manitoba's Economic Future, 1962, pp. 169-174.

In purely statistical terms, the town of Thompson alone would seem to offer a potential increase in employment and income opportunities more than enough to meet the needs of Northern Manitoba's entire resident native population. Its present population of 6,000 is expected to grow to possibly 20,000 within a few years. It is safe to say that Indians and Metis have reaped very little benefit from this major development, directly or indirectly (except, as noted, the temporary clearing and construction work in the initial stages).

By far the majority of people now making their living in Thompson have been recruited from Southern Manitoba, or from other Canadian provinces and other countries. Very few Indians and Metis from the surrounding area, as noted above, have managed to get regular employment in the community.

Thompson's development has been very carefully planned and controlled from the outset. Every effort has been made to avoid going through the stage of being a wild mining town. The only access from Southern Manitoba or elsewhere to Thompson is by air, or via the Hudson Bay Railway through The Pas. Individuals seeking employment with Inco at Thompson must have medical certificates from their place of residence, and are screened again at a company employment office (with medical check-up) at The Pas. Single men, or men separated from their families, are lodged in bunkhouses located near the main smelting operations. As in most mining and smelting communities, there is high turnover among these (the most frequently quoted estimate is about 200 a month).

The main residential and business section with single-family dwellings and duplexes, retail stores and service outlets, and other facilities, is physically separated at some distance from the smelter, company offices and bunkhouses. This, as noted, is a carefully planned town that aspires to high minimum standards of housing, community facilities, and general layout. A limited amount of rental housing is available. Most houses are built and sold by private contractors or realtors, and financed by Central Mortgage and Housing Corporation. A worker, to acquire a house of his own (generally $15,000 and up), has to save up a minimum down payment and finance the balance with a mortgage which the employer will guarantee or underwrite. Inco guarantees such mortgages for its employees where their work records, rates of pay and future prospects seem to warrant obligations assumed.

The company in its employment policies has been careful to avoid any appearance or charge of racial discrimination. (As noted before, it was impossible to get an accurate count of Indians and Metis on the payroll, because in application forms and in employee records on file, it is prohibited by law from asking for or making reference to an employee's racial background or religious affiliations.) Certainly one gets the impression that the residents of Thompson represent a wide variety of ethnic and language backgrounds. Spokesmen of the company emphasize that Indian and Metis applicants for employment are treated on exactly the same basis as representatives of any other group. If they go through the same channels and meet the minimum medical requirements, they are accepted equally for jobs for which their education or training suits them, and their tenure on jobs depends on meeting minimum standards of competence, punctuality, reliability, and so on.

In practice, however, the system is one that tends to virtually exclude most Indians and many Metis from getting employment in Thompson, or from keeping their jobs if accepted. As usual, in such situations, in the course of a survey of this kind one hears numerous charges of deliberate discrimination by Inco and smaller private employers at Thompson against Indians and Metis. The truth of this would be impossible to ascertain without detailed investigation. Indians, and to a lesser extent Metis, tend to be excluded by factors other than hiring policy. Considering the special social, psychological and other disadvantages they face in adjusting to the complexities of urban-industrial life, a policy of complete impartiality, of treating individuals of every racial or ethnic group on an absolutely equal basis in terms of objective medical or technical criteria, tends to mean that many Indians and Metis are rejected in the competition for jobs and living accommodation. There is the familiar difficulty of Indians adjusting to rigid work schedules on shift in a highly mechanized industry. And there is also the familiar problem of loneliness of the individual worker, living in a bunkhouse and separated from his wife and family on the home reserve (and a visit home is expensive, in so far as in most cases it requires travel by chartered airplane at 50¢ a mile). Regular full-time employment on a permanent basis, and moving one's family into town, on the other hand, involves saving up a down payment for a house and assuming large and long-term financial obligations, in the form of a 20-year mortgage of $10,000 or $12,000 guaranteed by one's employer. In terms of their standards of living and saving or spending habits, very few Indians or Metis are in a position to assume financial burdens of such size or duration.

Other aspects of a community such as Thompson likewise tend to have the effect of excluding most of the resident native population from surrounding areas. By definition, a planned community (planned on the basis of urban White middle-class or upper working class standards of housing, sanitation, clothing and deportment generally) has no place for Indians or Metis emigrating from semi-isolated reserves or fringe communities that depend on seasonal outdoor employment supplemented by relief at far lower material levels of living. Thus officials responsible for administering the new hospital in Thompson expressed reluctance to accept patients from Indian communities in Northern Manitoba for fear that this would lead to hordes of relatives or friends inundating the town on visits, with all the problems of conflicting standards of behaviour that this would present. Similar opposition for much the same reasons has been expressed to suggestions for establishing residential high schools or vocational training institutes for Indians in Thompson (which would have the advantage of training and familiarizing Indian students or trainees with the techniques, ways and requirements of industrial work and urban living of a type that is rapidly developing in their midst). Spokesmen for a carefully planned community along such lines point to The Pas as the example of an unplanned, disorganized community that the Indians and Metis have taken over and ruined -- a pattern that must, they feel, be avoided at all costs.

To the degree that an expanding industry such as mining and smelting and its various tertiary activities fail to absorb native resident workers into employment, this should properly be considered a cost to be assessed against the benefits of industrial expansion for the economy as a whole. How large a net benefit does the province of Manitoba receive if, for every new job created in Thompson a new worker is brought in from outside, while another Indian or Metis has to be supported (at a high cost per capita) on relief? (The cost to the province is perhaps minimal, and the net gain large in the case of Indians, of course, in so far as the federal government meets the cost.)

Other by-products of industrial expansion that operate to the detriment of the local people's interests and livelihoods should or could be considered as costs directly attributable to such expansion. There is, for instance, some depletion of resources on which local residents depend to some degree for their livelihood. Large mining and smelting plants and townsites take up amounts of land formerly used for hunting and trapping; wastes from industrial plants pollute rivers and lakes and cause depletion if fish; flooding large tracts of land and the building of dams, reservoirs and power plants likewise tend to cause depletion of fish and game resources; the building of roads that make new areas accessible to large numbers of people depletes game and fur-bearing animals; and so on.

Again, as noted earlier, the temporary boom in employment and income that new industrial growth during its early stages of development provides for local natives, tends to operate to their disadvantage later on. For a brief period they are able to enjoy relatively high rates of pay and high levels of expenditure while employed on rough construction jobs. These reduce their incentives when they must return to the more difficult and lower-paid activities of fishing, trapping, pulpwood and fuelwood cutting.

And finally, there are the costs of social disorganization and demoralization of large numbers of Indians as another by-product of industrial growth. The International Nickel Company, and the City of Thompson, as described earlier, have been largely able to avoid these costs by a rigorous program of town planning and job selection and placement. To a large extent, the problems created by Inco's and Thompson's growth have been dumped on such communities as The Pas. Large numbers of single males continually come through The Pas for employment in Thompson and other mining and smelting communities. Others come through often with their bankrolls after quitting jobs in the north, or on holiday. For both groups, one of the main attractions of the town seems to be seeking Indian and Metis women. Bootlegging and prostitution, consequently, have the status of service industries in the community, particularly for Indians and Metis, blocked, for various reasons, from other fields of employment and income. But the demoralizing effects of this situation render many of them that much less adaptable to or suited for gainful employment in the urban industries that offer the greatest possibilities of expansion.

Such costs as these and others that could be listed, are now borne almost entirely, directly or indirectly, by governments and taxpayers at all levels: federal, provincial and municipal. To what extent should some of them also be borne by the industries themselves? Such costs might conceivably take the form of requiring that large mining and smelting companies and other private employers be required to hire larger numbers of Indians and Metis for on-the-job training and full-time employment; to provide them rental housing, or credit for purchasing adequate housing, furniture and appliances, as well as full and equal access to and use of community facilities for education, recreation, health, and medical care, etc.; and to provide special personnel for guidance and counselling, to help Indians and Metis from the bush to adjust to the complexities of urban living. Such items would be costs, directly in terms of additional outlays that employers would have to make for such extra facilities and personnel, and indirectly in the form of lower levels of efficiency and output per man hour of Indians and Metis as compared to White workers. From the viewpoint of the economy as a whole, the imposition of such requirements would presumably prevent industrial expansion and economic growth from achieving their full potential in fields like mining and smelting (as it has in trapping, fishing and lumbering).

The answers of employers and company spokesmen to such a suggestion are clear, unequivocal and (on certain assumptions) logical:

"1. That private industry -- particularly in such a risky and competitive field as mining and smelting -- should not be expected, single-handed, to solve the economic and social problems of Indians and Metis (particularly where such problems are, to a large extent, the result of a century or more of inadequate, or misguided, policies of government); and

2. That, in terms of labour legislation at the federal and provincial levels, as well as in terms of fair or equitable company policy (and written into agreements with unions) employers cannot properly, or legitimately, discriminate between Indians and Metis on the one hand, and Whites on the other (and favouritism or special treatment of the former, it is pointed out, means discrimination against the latter).

Both positions are open to criticism. With regard to the first, we would reiterate the principle enunciated earlier: any private interest operating under a publicly conferred privilege or licence (such as the exclusive right to utilize resources in a particular area for private profit) should be made to bear at least part of the costs (in the form of losses incurred directly or indirectly by the locally resident population as a by-product of such industrial expansion and resource use). With regard to the second point, there are strong arguments for making a special case for Indians and, to some degree, Metis. Because of their backgrounds, the system of administration under which they are governed, their distinct way of life, and the unfavourable stereotypes and attitudes they have to face in White communities, Indians and Metis operate at a special disadvantage in most labour markets, and have special problems of adjustment to the complexities of urban-industrial life. Where they are forced to compete on a basis of equality with other groups (on the basis of criteria of technical or social adequacy defined by the White majority) they must lose. In a word, equality of opportunity and free competition by our standards ensures that Indians and Metis will fail and equality in a more final sense can be achieved only if this minority is given special consideration and special preparation for competing on an equal basis with Whites and others for jobs, housing and other facilities."

In brief, expanding industrial communities such as Thompson seem crucial to improving the economic welfare and integration of the Indian and Metis population of such regions as Northern Manitoba. The process of employing and absorbing any large and growing numbers in the near future, however, poses many complex and subtle problems. The efforts and costs involved cannot be expected to be assumed entirely by mining and smelting companies and other private employers. They will require, rather, careful planning, a share in financing, and close cooperation among government agencies at all levels, private employers, and various representative institutions and organizations (churches, trade unions, service clubs, and the like). Some of the more specific steps that could or should be taken to this end are discussed in the following chapter as part of the overall problem of fitting Indians and Metis into urban industrial life and work.

If an adequately large and comprehensive program were undertaken along such lines, there would seem to be no sound reason why distance or provincial boundaries, as such, should create any severe barrier to the migration and re-establishment of Indians in new employment. It would probably prove economical, in the long run, to assist relatively large numbers of Indians to move hundreds of miles from their present locations in depressed areas such as Northeastern Manitoba to centres of industrial expansion in Northern Ontario, to Northwestern Manitoba from Northern Saskatchewan, the Northwest and Yukon Territories to Northern Alberta and British Columbia, and the like.

### (c) The Southern and Central Prairies

A number of Indian communities in the southern and central Prairie region present a special problem for which there is no easy solution.

The Prairie region generally presents a problem of over-population, in terms of the numbers of people that can be adequately supported by a predominantly agricultural economy, if optimum-size farming operations were generally adopted. Reflecting this relative over-population, the provinces of Manitoba and Saskatchewan (and Alberta until the late 1940's) have experienced since the 1920's and particularly since World War II, large losses of population through migration to Ontario, British Columbia and various parts of the United States. Despite these losses of population numbering in the hundreds of thousands, mainly from rural areas, the region is still characterized by excessive numbers of marginal or sub-marginal farms, too small in terms of acreage and capital investment to be operated efficiently enough to provide adequate returns on the labour and capital expended. Many such farm operations have had to be subsidized, therefore, partly from government expenditures and partly from the farm operators' earnings from labour in other industries.

Among the most economically depressed and dependent bands in the country, as noted before, are a number in the Prairie region. Most of them have too little land to support their members adequately on an agricultural basis and do not utilize what land they have at anything near peak efficiency. Alternative employment opportunities are generally lacking for the residents in the region because of limited industrialization in the region, the existence of an already surplus under-employed White population, and excessive competition for jobs in cities and towns.

In view of this larger picture, the conclusion seems unavoidable that Indians will need the opportunity to participate with Whites in the general migration of surplus rural population to other regions having more remunerative job opportunities. Otherwise the Indians will remain, as they have for decades, a depressed group having no meaningful economic role to play in an increasingly large-scale farm economy. To facilitate such migration, of course, would require a large and comprehensive program of special training and financing of Indians.

### (d) The Maritimes

Essentially the same conclusions would seem to apply to the few thousand Indians in the Maritime Provinces. This region, of course -- particularly New Brunswick -- generally has the highest rates of unemployment and the lowest per capita incomes in Canada. Here the basic problems are depletion of resources (especially timber), obsolescence (especially coal), and distance and high transportation costs from major potential markets. Barring massive federal investments and expenditures on an unprecedented scale, coupled with large subsidies and other inducements to entice outside capital to invest in the region, one can see little prospect for substantial improvement in the economic position of the Maritime population, White or Indian.

### (e) Other Rural Areas

In a number of other areas besides those mentioned, there are numerous bands that own or have access to large areas of land suitable for farming, while a large proportion of their members are unemployed and dependent on relief. It seems only reasonable, therefore, that idle people and unused resources should be brought together in workable combinations to produce some employment and income for the residents. A major part of the Indian Affairs Branch program for economic development hitherto has consisted of such local resource projects. Farming, in particular, has accounted for much of the Branch's expenditures of capital and the time and effort of its personnel.

The merits of such a policy are, at best, questionable. It is not sound economic policy, under all circumstances, to utilize fully any or all unused resources available. Sound economic policy, rather, consists of allocating labour and capital to those activities that offer the highest rates of return per unit of expenditure. In the nature of the case, it is often economically sound policy to leave resources unused where the returns of labour and capital are inadequate as compared to other potential uses.

Encouragement of Indians to farm seems a particularly inappropriate policy in all but a few cases. Despite the fact that the total number of people engaged in farming in Canada fell by 21 per cent from 1951 to 1961, while the population as a whole increased by more than one-third, in no industry is there such a large number of uneconomically small, submarginal, low-income operators and low-paid labourers. As noted before, in most types of farming today the most efficient unit of operation is large and growing rapidly in terms of acreage and even more in the size of capital investment required for up-to-date plant, machinery, equipment and livestock. Increasing numbers of small-scale family farmers are able to survive only by the help of government subsidies and by engaging in outside wage employment.

Indians, with few exceptions, have shown lack of preference or aptitude for farming. Replies in the Resources Questionnaire and other reports from the Indian Affairs Branch personnel show in almost every case that the members of bands with tracts of farmland have failed to utilize them to the full and in many reserves farming has been abandoned entirely. Some critics blame the Indian Affairs Branch for not providing a sufficient corps of properly qualified agricultural experts to provide adequate training of Indians in efficient farming operations. A far more important reason for the failure, however, probably lies in attitudes of apathy or disinterest among Indians to farming as a way of life. This is indicated by the figures presented in Table III, Chapter V, as to reasons for the failure of Indians to utilize local resources. As indicated in the table, the reasons most often mentioned are "attitudes of reserve residents" (18) and "attractiveness of wage employment" (16), as compared to "educational level of Indians " (15) and "lack of vocational training" (12). In any case, at a time when many skilled, experienced and highly motivated White farmers are finding it increasingly difficult to make an adequate livelihood, it seems doubtful that an expensive program for training and financing large numbers of Indians to engage in farming would be an economically justifiable investment. In the majority of cases an equal investment of money, time and personnel to help them re-establish themselves in other occupations and centres of wage employment would contribute far more to their economic development.

In some bands, of course, there are individuals who have special aptitudes or capacities for farming. Where the land is available to them economically, they should be given aid and encouragement to operate on the most efficient basis possible. Such individuals, however, are a small proportion of the total Indian population and can contribute little to their general economic development.

# CHAPTER X

## CONCLUSIONS ON THE MAJOR ECONOMIC ISSUES

### Introduction

Some of the criticisms and recommendations presented below are, or soon will be, out of date. They are based on some familiarity with the Indian Affairs Branch structure and operations -- particularly of its Economic Development Division -- at the time this study was undertaken, early in 1964. Already hardly more than a year later at time of writing (Summer, 1965), the Indian Affairs Branch has undergone a considerable reorganization in structure, launched new programs with a considerably different emphasis in policy than has applied hitherto, and added new personnel. A number of the recommendations outlined below, therefore, may turn out to be mere endorsements of policies that the Indian Affairs Branch is already in the process of instituting or is even now carrying out. The first section of this chapter is broadly descriptive and discursive in dealing with a number of controversial questions of policy concerning Indians and the Indian Affairs Administration. The purpose is to provide some background explanation for the recommendations that follow. Most of the points raised here, as well as others derived from preceding chapters, are summarized and listed in more condensed form in Section B.

### A. General Observations

#### Administration

The annual budget of the Indian Affairs Branch has increased several times over since the war. In general, it appears to have grown far more rapidly than most other branches of the federal government. This should not, however, obscure the fact that the budget is still far from adequate to undertake development required to bring the Indians to a status approximately equal with Whites, economically and socially. The present backwardness and depressed economic and social status of most Indians reflects, in large part, the past failures of governments at all levels to invest enough money in, and commit enough personnel and time to, their development economically and socially.

To present some very broad and crude comparisons: the budget of the Indian Affairs Branch was a little over $60 million last year, or approximately $300 for every Indian. To this should be added the approximately $20 million budget of the Indian Health Services. This is the budget to provide facilities and services to a minority comparable to those provided to more than nineteen million other Canadians by government agencies. By comparison, the total federal government budget in 1964 was $6,550 million, including $3,042 million for goods and services, $2,235 million for transfer payments, $995 million for interest on bonded indebtedness and $278 million for subsidies; provincial and municipal expenditures combined for these categories were, respectively, $5,565 million, $1,924 million, $937 million and $39 million (Canadian Statistical Review, July, 1965). All told, total government expenditures at all levels amounted in 1964 to $14,376 million for Canada's 19.4 million people, or about $740 per capita, as compared to the Indian Affairs Branch's expenditures of about $300 per capita for Indians alone, a rate of almost 2:1.

Obviously, of course, such figures above present a distorted picture in some respects: (1) Defense expenditures alone account for about $1,500 million of the Federal Budget, and these should be viewed as a charge against the population of the country as a whole. On the other hand, Indians, in view of their location and the types of jobs they specialize in, probably get very little benefit, directly or indirectly, from the jobs and incomes generated by defense expenditures. Similar observations would apply to a number of other types of items, such as foreign trade, law and order, and the like; (2) similarly, in the large item of $2,235 million federal expenditures for transfer payments, Indians may be assumed to be benefiting, at least equally with Whites, from such items as family allowances, old age assistance and pension payments (which are over and above expenditures by the Indian Affairs Branch); (3) similarly, Indians may be presumed to benefit from numerous provincial and municipal expenditures, for which neither they nor the Indian Affairs Branch are held directly chargeable such as roads and highways, law enforcement, and conservation and development of natural resources.

Allowing for all these, however, it is still true that a large and perhaps major part of public expenditures at all three levels is for facilities and services for which the vast majority of Indians, because of their geographic and social isolation, ignorance, lack of training, or other reasons, are unable to make any significant use. Our universities are an outstanding example, and much the same generalization would apply to a wide list of other public facilities and services, in the category of social capital that are heavily concentrated in the cities and towns of the nation, in which reside only a small fraction of the Indian population but a major part of the population as a whole.

Much the same generalization applies to privately financed and managed business or industrial operations. A common estimate is that it takes, on the average, a capital investment of about $10,000 to create one new job, ranging from a few hundred dollars in small-scale retail or service operations to $50,000 or more in highly automated operations such as oil refining. By far the major part of privately owned facilities and services in stores, office buildings, industrial plants and other outlets is likewise concentrated in larger cities and towns in which, in the aggregate, most of the nation's people reside. With these facilities most Indians have little or no contact whether as employees, customers or clients.

In general, then, most Whites have lived and worked most of their lives in complex environments in which there have been investments in the tens of thousands of dollars per capita, in private and public facilities, and annual per capita expenditures in the thousands. Most Indians, by contrast, live and work in relatively simple environments that have involved investments of a few hundred -- or at most a few thousand -- dollars per capita, and annual per capita expenditures in the hundreds of dollars.

All told, therefore, any program that is seriously designed to raise the Indian population to a level of competitive equality with Whites will have to be a truly massive undertaking by comparison with the limited bits-and-pieces program that has been followed hitherto. There is a tremendous job of catching up to do, owing to decades of previous neglect. One cannot expect it to be done with the limited budget that the Indian Affairs Branch has been getting. We must expect that it will cost thousands of dollars per capita, and hundreds of millions per annum in the aggregate, to provide Indians with the facilities and services needed to bring them up to White standards. Part of this increased expenditure will be necessary to provide more and better capital, public facilities, technical aid and other services to the areas in which they now reside. A larger and increasing part will be required to bring them to the capital -- that is, to finance the training and conditioning, movement and relocation of increasing numbers of Indians from their present areas of residence to industrial or business centres in which the main opportunities for economic growth exist.

Anything less than a massive program on some such scale is likely to be inadequate. It may provide maintenance but certainly not much in the way of development, Economic development of Indians in Canada, in brief, should perhaps be viewed essentially as one special part of the government's war on poverty. It will require many of the same programs, involving special educational and training facilities, travel and rehabilitation grants, and the like. But it would also require special provisions of its own, in so far as Indians present a special aspect of the larger problem of poverty in this country.

Much of this past neglect of Indians has been due to the rather isolated and anomalous position of the Indian Affairs Branch in the governmental structure. On the implicit assumption that it could look after its own, it has frequently been ignored or by-passed by governments at all levels. As separate enclaves under federal jurisdiction within the various provinces, Indian bands have failed to receive many of the benefits of provincial expenditures in such fields as education, public works and resource development projects. On the other hand, owing perhaps to inadequate liaison or pressure from the Indian Affairs Branch on other departments in Ottawa, bands have also failed to receive benefits from numerous federal-matching grants to the provinces and municipalities. An outstanding example is the Prairie Farm Rehabilitation Act. From the mid-thirties to the mid-sixties, more than $800 million of federal funds were expended on this program -- and in other provinces besides the Prairies. No Indian band received any funds from it until a couple of years ago, and then only a few thousand dollars.

The Indian Affairs Branch has established much better liaison with other governmental agencies at all levels in recent years. This has been particularly noticeable in the fields of education and welfare at the provincial level, and in various Federal-provincial and Federal-municipal cost-sharing arrangements, such as the Winter Works Program. It is to be hoped that the Branch will have a high priority in any funds allocated to various agencies for the program of the war on poverty.

## Indian Affairs Branch

The economic development program of the Indian Affairs Branch and the structure, policies and objectives of its special Economic Development Division appear to be inadequate and inappropriate in several important respects. (Note: To repeat, the criticisms that follow apply to the situation as of early 1964. There have been significant modifications since then.)

(1) The total budget of the Indian Affairs Branch, as noted earlier, is wholly inadequate in relation to the responsibilities it is called upon to undertake on behalf of Indians. And within this context, the annual budget and personnel allotted to the Economic Development Division are inadequate and out of balance with other major aspects of Indian Affairs Branch Administration. To put the picture into some sort of focus: Out of the total Indian Affairs Branch budget of some $62 million in 1964, about $30 million, or one-half, was spent on education, and another $20 million on welfare. The new Community Development Program in 1964 was budgeted for $3.5 million over a three-year period.

The Economic Development Program, by comparison, was budgeted for only $1.5 million per annum (or about $7 per capita for the 200,000 Indians across Canada). Capital items, as distinct from the annual operating expenses, account for possibly another million a year.

Just how inadequate this is may be judged in relation to the fact noted earlier, that each additional job created in the economy as a whole is estimated to require an average capital investment of some $8 - $10,000.

(2) The main time and effort of its personnel appears to have been devoted to what might be called economic caretaking or maintenance rather than economic development. This is perhaps mainly a carryover of the traditional role of the Indian Affairs Branch as a trustee or caretaker of the Indians as its special responsibility. At any rate, many of the personnel are engaged merely in keeping accounts and records of such matters as land titles and leases; band fund revenues and expenditures; loans and grants; etc.

(3) There is far too much emphasis on the resource industries from which Indians have in the past derived much of their livelihood; namely, game (including trapping), fish, farming and forestry, and far too little on industry and commerce, in the broad sense, and outside wage employment. This is clearly brought out in the structure of the Economic Development Division. There is a head with an assistant for each of the four resource industry divisions listed above, as well as for Engineering and Mineral resources (including oil and gas). There is, however, no division head or other personnel for industrial or commercial development (though there is a placement division head).

This emphasis, as noted earlier, shows up clearly in the Resources Questionnaire which the Economic Development Division prepared and circulated to all agency superintendents to complete.

(4) Another improvement in the structure and program of the Economic Development Division,would come not only from an increase in funds and in personnel generally for various functions, but also in trained professional personnel in key positions. Of the special branches with the Division at the Ottawa headquarters, only the heads of the Mineral Branch and the Engineering Branch are qualified professional specialists in their respective fields. The first Chief of the Economic Development Division was an administrator of long experience in the Indian Affairs Branch, and he has recently been transferred to another administrative post. Ideally, the chief should be a professional economist, who has had some years of practical experience in the field of economic development. In addition to the lack of an Industry and Commerce Branch within the Division, there is also lacking an Economics Research staff. The personnel in each branch of the Division are engaged in dealing with detailed records and accounts, requests for funds, proposed projects in different communities drawing up budgets, etc. almost exclusively within their own particular area of jurisdiction. Personnel in one branch seem to have little or no idea of what those in other branches are doing. There is no research staff whose job it is to correlate the data accumulated from the various branches, let alone gather other useful data that are not accumulated by present methods -- and put them together into a coherent overall view. Such a staff is needed, responsible directly to the Division Chief to provide the material on which a workable, properly balanced and dynamic economic program could be built. Much of the same deficiencies in size and professional qualifications of staff seem to apply at the regional and local levels.

These weaknesses, again, come to light in the questionnaire which is designed to provide a complete "inventory of human and material resources" of Indian bands across the country. Not only are some aspects overemphasized and other important ones ignored, as noted earlier, but some of the questions asked also require, for an adequate answer, knowledge or experience that many agency superintendents or their assistants are not likely to have. A really adequate survey of the resources, income and employment potentials would require teams of qualified specialists to visit and assess virtually every band in the country.

In general, an improvement in personnel in the Indian Affairs Branch, particularly in its economic development program, would appear to come from an abandonment of a policy of relative isolation and self-containment. Staff for key positions appear to be recruited from within, based on their administrative experience and skill in the Branch, rather than for their expertise or professional training and qualifications for the special functions they are called upon to perform.

(5) The Division's program for economic development appears to have lacked any sort of overall consistency or central theme. It appears to consist of innumerable small bits-and-pieces of local resource development projects -- a fishery here, a logging project there, and a land clearing or fur conservation program somewhere else. Most of these appear to be in the category of make-work or employment-relief programs, designed primarily for the bands suffering the worst degrees of unemployment and dependency.

The extreme emphasis on development of resource industry seems, on the whole, inappropriate for any program of economic development for Indians. Long-term employment prospects in these industries have been declining for several decades. This decline was particularly pronounced during the 1950's, and shows every prospect of continuing. While total employment in Canada increased by 21.6 per cent from 1951 to 1961, employment in trapping and fishing fell by 30.2 per cent, in logging by 21.4 per cent, and in agriculture by 21.9 per cent. Even these figures under-estimate the true picture, for there is considerable under-employment in these fields -- that is, excessive numbers of submarginal operators or workers earning inadequate incomes, whose removal from production would, if anything, increase total output by facilitating larger-scale, more efficient operations. By contrast, employment in such fields as construction, sales and service trades increased by more than one-third during this period. Any developmental program for Indians in the resource industries, therefore, can be at best only a sort of holding action to enable decreasing numbers to derive their livelihoods from this source, while the main avenue of improvement in the economic status of Indians must lie in speeding up their absorption into outside wage employment.

(6) As against the prevailing emphasis on local resource industries, there appears to be a special need to expand the employment placement program and personnel. At present, there is every indication that this aspect of the Indian Affairs Branch's economic development program is badly under-staffed. There is one division head and an assistant at the national headquarters in Ottawa, while most provincial regional headquarters in each province have one or two only.

According to the most experienced and successful placement officers in the Branch, the optimum revolving case load is about fifty. The officers must interview job applicants or prospects and judge their aptitudes and capabilities; maintain adequate liaison with the business community generally, and interview individual employers as to job prospects and requirements; follow employees for a year or two after they are placed (i.e. handle their grievances and problems of adjustment; intercede with the employer when troublesome issues arise; and so on). From a purely economic standpoint, a considerable expansion in the placement staff would be a profitable investment, for every Indian placed successfully in permanent employment represents not only a saving in welfare costs but a contribution of hundreds of dollars in income taxes as well. From the experience of several years of placement work in Southern Ontario, officials in the Indian Affairs Branch headquarters in that region alone estimate that they could fully utilize at least eight to ten more such personnel or, ideally at least, one such officer for every major urban industrial centre having a sizeable Indian population within a twenty-five to fifty mile radius. To an increasing extent, furthermore, personnel in this area are having to place Indians migrating from Northern Ontario and from other provinces.

The above applies mainly to Indians placed in permanent employment, largely in manufacturing, service and clerical or office work in a highly industrialized region like Southern Ontario. In other provinces a much larger number and proportion of placements will continue to be for some time in temporary or seasonal jobs in such fields as land clearing and construction, logging and sawmilling, railway and highway maintenance. Presumably the follow-up time would be less and the optimum case load larger. The need for more trained personnel is as urgent, however, for temporary or seasonal employment in such fields is often the first experience of Indians in wage employment away from their reserves and the first experience of employers in hiring Indians. It is important, therefore, that everything possible be done to make the experience satisfactory to both sides. In many cases, shortages of personnel have led the Indian Affairs Branch to place Indians in employment simply by recruiting the number an employer requests without adequate interviewing and selection beforehand, and sending them off to the job with little or no follow-up. The result has often been dissatisfaction, high turnover and quitting without notice on the part of the Indians, and a prejudice on the part of the employers against hiring Indians again.

(a) This recently valid criticism of the Indian Affairs Branch's economic development policy is likewise somewhat out of date at this point for some provinces. In British Columbia, for instance, the Branch has placed major emphasis on job placement rather than local resource development. Where last year (1964) it had only two placement officers on its staff, this year it has positions open for no less than twelve, nine of which have been filled to date. These men have had some notable achievements to their credit. In one case, a contractor working on the major Peace River power project last year asked for 150 Indian workers. The Branch placement officer in Williams Lake visited by helicopter more than a dozen Indian bands over a wide area, recruited the work crew, arranged for their transportation and for providing them with power saws, etc. The contractor found them so satisfactory that this year he asked the Branch to recruit more than 200 for another major clearing operation. The placement officer has been ordered to stay on the project to follow up the placement.

(b) The Branch also has recently established what would appear to be a rational division of function as follows: (1) the placement division, and placement officers in each region are responsible for attempting to place Indians in unskilled or semi-skilled categories in wage employment. Most of such placements, as noted, have been in seasonal or temporary jobs, in such industries as clearing and construction, logging and sawmilling; and (2) the placement of the relatively few Indians who have taken special education and training that qualify them for skilled manual, white collar or service jobs, has been transferred to the education division.

Notable gains have been achieved in both areas. They still leave uncovered, however, what would appear to be the largest and most important single area of potential new employment opportunities for Indians -- that is, semi-skilled (and, in time, skilled) full-time employment in industrial plants, business firms and offices, and service establishments in small or medium-sized industrial towns and business centres that are within relatively easy access of large under-employed Indian populations. In dozens of such centres across the country one can observe business and industrial growth and new job opportunities developing, while around each centre, within a radius of fifty or 100 miles, are numerous impoverished Indian bands with total populations in the thousands. The town of Kenora is an extreme example of this. The economic role of Indians in such communities appears to be, at best, that of casual, temporary and unwelcome visitors, customers and spectators of White society.

The Indian Affairs Branch has been widely criticized hitherto on the grounds that its program in general, along many lines of policy, has been one that encourages Indians to stay on their reserves, rather than to work and live outside. The Indian who stays on his reserve can get financial assistance to build a home for himself and family; if he leaves, he has to shift for himself and find what quarters he can. On the reserve, the Indian family is assured minimum relief and welfare, medical and health services and facilities; when he and his family leave the reserve, the Indian Affairs Branch, faced with a limited budget, tends to take the position that the Indians are the responsibility of provincial and municipal governments and, at best, will merely recompense the latter for services rendered to Indians who have retained their band membership and Indian status.

What is suggested is that, in so far as the economic development of Indians lies primarily in wage and salaried employment, and that for most Indians such employment lies beyond commuting distance of their reserves, a large and increasing part of an expanded Indian Affairs Branch budget should be used to support Indians who wish to leave their reserves. The first priority of the housing budget should be for Indians who wish to take their families with them to new centres of job opportunities -- and housing aid for these should be made more liberal than those for reserve residents, because acceptable standards of housing for most urban White working-class and middle-class residents are considerably above those acceptable on most reserves. If provincial and municipal government agencies are willing and able to provide educational, health, welfare and other necessary facilities and services to Indians superior to those that the Branch can provide, well and good. If not -- depending upon the policies of particular provincial governments -- then the Branch should be provided with a budget and personnel to supply such facilities and services on its own, even if the individual province be expected to assume such responsibilities.

## Special Problem Areas

As stressed before, there is a wide diversity in resources and job opportunities available to different Indian bands, and a wide variety of socio-psychological factors, attitudes and behaviour patterns operating within and around different band communities. Even when the bands are grouped more or less arbitrarily into broad categories, each of these calls for a considerable variation in emphasis in programs designed to encourage greater economic development.

## Semi-Isolated Northern Bands

The Indian communities that face some of the most urgent and difficult problems of economic development appear to be the numerous bands scattered throughout the vast northern belt of the country, encompassing most of Quebec, Ontario and Manitoba, roughly the northern one-third of Saskatchewan and one-quarter of Alberta, a smaller fraction of British Columbia in terms of Indian population, and virtually all of the Yukon and Northwest Territories. Among this large group are found the lowest levels of education and of marketable skills, the highest proportions of illiteracy and inability to communicate in English; among the most serious problems of malnutrition and disease, due to substandard housing and diet; and overall, among the highest rates of unemployment and dependency. Here, literally dozens of bands which formerly sustained themselves on a hunting, trapping and fishing economy have rapidly been abandoning their former means of livelihood and becoming dependent mainly on relief. In some cases this has been due to population outrunning the resources available. In other cases it has been due to a combination of circumstances -- insufficient technical knowledge and inefficient methods; inadequate or obsolete equipment; loss of mobility due to educational requirements and to new health and welfare services; or in general, an inability to derive as large a real income from the traditional means of livelihood as can be received from relief and welfare generally.

The longer the present trend continues, the progressively more serious the cost will be in growing demoralization, unemployability, poverty and dependency, for proficiency in such activities as hunting, trapping and fishing is to a large extent a matter of long experience, of detailed knowledge of one's environment, and of familiarity with the habits and behaviour patterns of fish and wildlife. Many Indians are losing or have failed to acquire proficiency in such activities.

These are, of course, broad generalizations, the validity of which vary greatly among different areas and bands across the whole northern belt. Appropriate policies to encourage economic development would vary accordingly.

The most detailed study of a broad northern area, encompassing numerous bands of Indians as well as Metis, was carried out by Buckley, Kew and Hawley during 1961-62, in Northern Saskatchewan. This area has probably a higher proportion of depressed and dependent households in this group than any other of comparable size in the northern belt. In their study, they made a series of some twenty-two detailed recommendations, attacking the whole question of development on a broad front in numerous potential fields of employment opportunity. Some of their findings and recommendations are appropriate primarily to the Northern Saskatchewan area and population, with its own special characteristics and problems but many would be generally applicable throughout the whole northern belt. They are summarized in condensed form, as follows:

### The Mining Industry

1. That a program of on-the-job training be instituted immediately.

2. That the present program of prospector assistance be revised and enlarged to provide for:

   (a) more participation by Indians and Metis;
   (b) more intensive and advanced training;
   (c) paid employment for some graduates of prospectors' schools.

3. That mineral exploration be further assisted as a means to create jobs in the short run as well as to increase production in the long run. Specifically, it is suggested that the mapping and survey program of the Department of Mineral Resources be extended, and the road to Reindeer Lake be built immediately.

## The Forest Industries

4. That short courses for lumbermen be established in conjunction with credit for the purpose of purchasing power saws and other equipment.

5. That government-sponsored sawmill operations be expanded.

6. That programs of forest management and silviculture be greatly expanded.

7. That a new forest protection service be established, providing permanent employment for at least fifty men.

## Mink Ranching

8. That the government institute a developmental program aimed not simply at promoting the growth of the industry, but at establishing Indians and Metis as mink ranchers. A specific target of fifty new ranchers over the next ten years is suggested.

9. That the development program for the mink ranching industry include the following:

   (a) extension services to new and established ranches;
   (b) establishment services -- loans and training;
   (c) research and investigation, to include problems of ranch efficiency and low-cost operation, as well as animal husbandry.

## Agriculture

10. That the agricultural potential of the north be given official recognition and a new approach to agricultural development be devised.

11. That an agricultural development program aimed at establishing men as farmers be instituted at Cumberland House and in the Buffalo region.

12. That a northern Saskatchewan development plan provide for a thorough and comprehensive study of all aspects of northern agriculture.

13. That small-scale agricultural activities be fostered in all parts of the northern region.

## Government Service

14. That measures be devised to open the door to Indians and Metis for all government jobs in the north.

    These would include:

    (1) easing the requirements of the Public Service Commission;
    (2) enlisting the cooperation of all government agencies in the north;
    (3) establishing a training program based on their staff requirements.

## Other Industries

15. That an employment and job placement service be established for the northern area.

16. That a school for guides be established at La Ronge, aimed at raising the status of the occupation and the earnings of participants through imposition of professional standards. The organization of a guides' association and restrictions on licenses should follow as quickly as possible.

17. That government encourage and foster business enterprise, whether large or small, by means of preliminary surveys and analysis of prospects; through financial assistance when needed, and by rendering every possible assistance in marketing.

18. That the Community Workshop at La Ronge be granted loan funds and other assistance as required, and that an effort be made to give as large a role as possible to the Indian and Metis workers. Studies should be undertaken to determine additional marketable products.

19. That assistance be given to the Northern Cooperative Handicraft Association in order that it may exploit more effectively a growing market for handicrafts. Specifically, there should be (1) loan of capital, (2) a full-time manager, (3) training of workers, (4) exploration of new lines of production, (5) more assistance in marketing.

20. That the economic potential of the peat moss industry be given official recognition and that government proceed to:

    (a) determine the feasibility of a crown corporation or a cooperative for the production and marketing of peat moss from the northern region;

    (b) explore the feasibility of a program which would combine attention to the needs of private operators with measures designed to increase employment of Indians and Metis.

## Special Projects

21. That the cooperative housing project designed by the Northern Affairs Branch be given all necessary support and high priority in programming.

22. That the present program of municipal works be extended to cover more villages and a greater number of projects. Continued coordination with the Federal Municipal Winter Works Program is desirable.

23. That measures be devised without delay which can deal with the particularly depressed situation of the people of La Loche.[1]

While the present Report would generally endorse the majority of these recommendations as the product of an intensive study of a special area (and designed essentially for provincial government action) for most northern regions, certain types of programs would seem to merit a special emphasis, as follows:

1. In view of this general situation of over-population and rapid growth relative to employment opportunities from locally available resources, it would seem logical to give the highest priority in policy to a concerted program for making possible the training and re-settlement of all Indians in such bands who appear capable of being trained and adjusted to working and living in other, mainly urban, communities. It would be of particular importance to focus on young people in their

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[1] The Indians and Metis of Northern Saskatchewan, Centre for Community Studies, Saskatchewan, 1963, pp. 57-59.

teens, and young couples in their twenties with children of grade school or pre-school age. Not only are these younger groups likely to be more amenable to education and training at the high school and vocational school levels, but their emigration would also reduce the rate of population increase in their band communities.

As noted elsewhere (and as analysed more fully in a later section of this Report) the Indian Affairs Branch in recent years has been undertaking an ambitious program of providing transportation and living expenses to qualified young Indians from northern communities, to reside in southern cities and towns and take secondary or high school education and post-secondary technical or professional education, as well as upgrading classes to prepare them for apprenticeships or formal vocational training programs in various occupations. Because of serious deficiencies in the educational backgrounds of many or most Indians in northern communities, the number able to participate in such programs appears to fall far short of the rapidly increasing numbers who are reaching working age each year. Presumably, this problem can be solved only over a fairly extended period of years. It will require, presumably, larger expenditures for education at the primary level in the home reserves, together with special educational personnel, special programs, and various special supportive services in homes and communities, to meet such educational deficiencies.

Preparing these younger Indians for working and living in an urban industrial environment, as noted earlier, would require not only academic education or vocational training, but also the services of placement officers for liaison, consultation and follow-up, and for families, the services of home economists and social welfare counsellors, and special financial aid for housing.

2. Among the employable adults above twenty-five to thirty years of age, probably only a minority would be found suitable for resettlement in urban environments, due to the special difficulties that would be encountered in living in an urban environment (though every effort should be made to identify those who would be suitable). For Indians in this category, an intensive program of training and capital assistance would be required to enable them to utilize more efficiently the resources available to them, such as to provide a level of income and standard of living high enough to induce them to work rather than stay on relief. This would require such measures as the following:

   (a) Training in certain basic skills, essential for making an adequate livelihood in isolated communities (e.g. motor mechanics; carpentry and plumbing and other basic construction jobs; and for women, cooking, nutrition and household maintenance). An adequate training program of this kind would require a corps of vocational training teachers who would travel to various Indian communities to give courses of the requisite length to the residents. Such training programs would, or could, serve several purposes in such communities, such as:

      (i) Enable Indians to build and maintain better houses for themselves;

      (ii) Enable Indians to build, repair and maintain buildings required by the Indian Affairs Branch, by storekeepers, and by medical health services, and other government services rather than incurring the added expense of importing highly paid labour from outside; and

      (iii) Fit more Indians to take advantage of new employment opportunities that may develop within fairly easy access of their band communities. (In recent years, as noted, a number of new industrial or resource development projects have been undertaken in hitherto isolated northern areas in which Indians have been the sole residents (e.g. Peace River power project in British Columbia; Athabaska Oil Sands in Alberta; Inco's Thompson Project in Manitoba; etc.) Such projects offer opportunities for well-paid and temporary construction jobs in the initial phase, and permanent jobs in the final processing phase, and in the communities that develop around such projects. To date, Indians have been employed to only a very limited degree in such developments.)

(b) Provision on a liberal loan basis of up-to-date equipment and facilities to increase the productivity of Indians in hunting, fishing, and trapping. There may, indeed, be good grounds for renting equipment or providing it outright in whole or in part, on condition that it is adequately maintained and fully utilized. It is an unwise principle generally to subsidize producers in economic activities that are sub-marginal and low-income. In the case of many Indian families in isolated communities, however, there may be no alternative. Subsidization may be the only means for keeping them active and maintaining morale and avoiding the progressive demoralization that occurs with prolonged idleness and dependency.

One of the main requirements appears to be equipment or facilities that will increase the mobility of Indians engaged in trapping, to enable them to move to more distant under-trapped areas having plentiful supplies of game and fur-bearing animals. Such facilities would include, for instance, snowmobiles and outboard motors for canoes, and, in strategic areas, available to several bands, airplanes; also storage facilities such as walk-in freezers.

Along with such facilities, expert personnel appear to be needed in many communities to train Indians in better methods of processing and care of their produce (such as filleting fish and dressing skins).

(c) Community development would play a necessary, but subsidiary, role in any such programs. The prior need is economic development, which requires intensive training in various techniques and a sizable investment of capital in each band community. Community development may be viewed primarily as an instrument for imbuing members of each community with the motivation, energy and will to take advantage of such services and facilities for their own betterment. Related to this is the objective of encouraging the community to mobilize the energies and talents of the members to engage in collective projects of the social capital type that will contribute to their economic development and higher real income. As noted before, one is struck in visiting such reserves by the combination of idle people and unused resources, in a situation of poverty. Properly equipped and organized hunting and fishing expeditions, fuel gathering, kitchen gardening and building projects of various kinds, could add greatly to the real income, comfort and welfare of most such Indian communities.

3. The recommendations in 1. and 2. above involve providing basic skills, equipment and facilities to all employable adults residing in Indian communities.

In addition to these, there appears to be considerable scope for developing a variety of specialized skills and services that could provide remunerative full-time employment for numbers of Indians -- as well as training-grounds for larger numbers in the future -- in the larger northern Indian bands.

A widely noted feature of most northern Indian bands is the almost complete absence of specialization and division of labour. Virtually all the population are engaged in hunting, fishing and trapping, or they are on relief. A few rudimentary skills ancillary to these are used by each household for itself, and for anything beyond this, the household and the community depend on goods or services imported from the outside, at an exorbitant cost because of time and distance. This whole system becomes more economically inefficient and costly as Indians become more and more dependent upon power-driven equipment for various purposes: power saws, and outboard motors, snowmobiles, bombardiers, automatic pumps, steam boilers and diesel motors, down to household appliances such as washing machines, and personal items such as transistor radios. When the machine fails to work, the individual owner attempts to repair it himself, ordering the parts from outside individually, at high cost. If he is unable to fix it, the machine may be abandoned prematurely or be sent outside to be repaired at high cost (except at odd times when an outside expert repairman happens to be in the community).

In large bands such as Norway House or Island Lake, having populations of 2500-3000 depending heavily on water transportation, it is estimated that each could fully employ a half dozen or so mechanics on outboard motors alone. When all the other types of machinery and equipment are considered, probably double this number could be employed in each such community. There are probably potential markets for a number of other types of specialized retail or service outlets in numerous larger, more isolated Indian communities; e.g. recreational outlets, such as pool halls and beer parlours (where local regulations permit); coffee shops; confectioneries; gas stations; and the like. Some of these should, perhaps, be encouraged to develop in a cooperative form, primarily for their educational value. Considering the special difficulties Indians face in developing and running cooperatives efficiently, however, special encouragement and aid to privately-owned and operated Indian enterprises would probably be more productive in the short run.

4. Qualifications - Any primarily economic analysis of, and recommendations for policy regarding Indians in Canada, is almost bound to be unsatisfactory and frustrating. Economists tend to be overly bound by certain precepts, some of which are moral, and some of which are basic assumptions of their discipline. Two major precepts in particular tend to create frequent and sharp conflicts when it comes to policy. These are:

(i) Unemployment or idleness is deplorable -- particularly if it coexists with unused resources. It is assumed that society, as well as the individual, benefits if people are kept active during most of their waking hours producing things that are useful.

(ii) The central criterion of economic efficiency is maximum output in relation to input of labour and capital (or minimum input per unit of output). Any activity that requires subsidizing is, by definition, economically inefficient.

Either precept if carried to its logical conclusion, of course, becomes ridiculous, as measured in terms of the other. The principle of keeping people fully and productively employed has led at the one extreme to subsidizing farmers and other producers to engage in long hours of hard work and drudgery for inadequate returns and to produce outputs that have had to be destroyed, given away, or otherwise disposed of because they could not be sold in the market at prices sufficient to cover their costs of production. In terms of normal criteria of efficiency, it has been demonstrated that society would gain in net income if large numbers of small submarginal farmers were paid the market value for their land and pensioned off for life, at rates equal to their net earnings from farming.

Similarly with economic efficiency. Hunting and fishing as generally practised on this continent are obviously inefficient in terms of conventional economic criteria. In fishing, if the central objective were to maximize the total catch in relation to expenditures of labour and capital, the most efficient method would be simply to set fish traps in all lakes, streams, and river mouths.

Obviously the efficiency of hunting and fishing activities has to be measured by other criteria than these. To an increasing extent, they are carried on as leisure-time activities, the value of which is to be measured by the enjoyment they generate among the participants, and the revenue and employment the latter create in paying for the privilege of participating.

Hence the elaborate restrictions on equipment, techniques, licences and seasons to assure that hunting and fishing will be carried on by technically or economically inefficient methods, as leisure time or play (as distinct from productive or work), activities. The distinctions become blurred, however, where guides, conventionally defined as productive workers, are employed to assist people to conduct their inefficient and unproductive leisure-time activities.

Thus leisure-time activities which, by conventional economic standards are inefficient and unproductive in terms of producing an output that others find useful, generate employment and income for others. A rapidly increasing proportion of the national income is spent on, and a correspondingly rapidly increasing proportion of the nations' labour force is engaged in, producing goods and services for such subsidized leisure-time activities.

The discussion leads to a basic question of principle. The present system of taxation and income distribution enables some higher-income groups to subsidize themselves in inefficient hunting and fishing activities. On what grounds, moral, ethical or economic, can it be argued that Indians are not also entitled to such subsidization? Men of high income pay as much as $500 to $1,000 a week for sport hunting and fishing, with the assistance of White or Indian guides. Is it more economical or beneficial to society to enable well-to-do tourists to subsidize Indians in employing them as guides, than for the government to subsidize Indians directly to engage in hunting and fishing (and perhaps trapping) to produce food and materials for handicrafts, for themselves as well as for the market?

The proper criteria of economic policy for large numbers of underemployed and dependent Indians in the northern belt should be formulated in terms of contributing to an active and meaningful life for them. Complete, or nearly complete, idleness and dependency on relief is obviously unsatisfactory as it leads to frustration, demoralization and, in general, unhappiness. Reorganizing the whole structure and operations of the trapping and fishing industries in terms purely of maximum economic efficiency in terms of the industries, as such, will not meet this problem. It would enable a minority of the more efficient workers in each band to earn far larger incomes from trapping and fishing than before, but many would be entirely displaced from these industries. The displaced, in turn, would have to be either:

(a) maintained on relief, or

(b) given special training and assistance to move into new employment in urban industrial centres.

This is the easy answer in terms of conventional criteria of economic efficiency, but it raises further questions.

The costs of special training and the various types of assistance that would be required to move Indian families into urban industrial centres, and enable them to adjust to the urban way of life, are likely to be high. Even with the greatest pressure and inducement, the numbers that can be induced and enabled to move and make the necessary adjustments may not be enough for several years to meet the needs of an expanding population. If, then, sizable numbers have to be maintained on relief, the question is: where?

On the face of it, it seems uneconomical and inefficient to maintain northern Indian families on relief in their present locations in isolated communities in which the costs of imported goods and services are inordinately high, and in which many types of facilities and services are lacking. It would seem more economical and efficient to move them to urban centres where such goods, facilities and services are both cheaper and more plentiful.

On the other hand, it is questionable whether this would be the most satisfactory and efficient alternative. It would be difficult, at best, to induce any large number of northern Indians to relocate in urban centres, particularly if they are merely to be maintained on relief. Dissatisfaction and demoralization would probably be more widespread and intense than if they were maintained on their home reserves. And, if they are not to become a depressed, demoralized slum group in urban centres, the Indian Affairs Branch and other government agencies would have to provide special facilities, personnel and services equal, or more than equal, in amount and cost per household, to those recommended for the more promising Indians as part of any large-scale program for training, relocation and new employment in such urban centres.

The only feasible policy, therefore, appears to involve both of the following:

(a) Assisting, along the lines outlined earlier, the movement and relocation of as many Indian households as wish to move into urban or industrial centres of employment; and

(b) For those who do not wish to, or cannot, relocate, subsidizing them -- by new equipment, techniques and other facilities and services -- so that they can earn more from hunting, fishing, trapping, handicrafts and related activities, than from relief; or, to put it another way, to earn enough from these activities to keep them participating.

Considering the relatively small numbers of Indians in the northern area in relation to the total Canadian population, the total volume of expenditures or subsidies that would be required to enable them to live a meaningful and active life would be a very small fraction of the gross national product (or of the total Federal and provincial budgets).

## Bands Located in Farming Areas

Among the more depressed and under-employed bands in virtually every province, are a number located in farming areas having sizable tracts of land in their reserves suitable for agriculture.

(a) In some cases the under-employment is due to rapid population growth, in which the acreage per capita has declined to the point that the land, even if fully and efficiently utilized, could not support the present population adequately, let alone further population increases in the future.

In the broad sense, the problems facing such bands, and the types of programs that would best promote their economic development, appear to be broadly similar to those of the bush bands discussed above. They are not, of course, geographically isolated in the same sense. Most of them have roads or highways running nearby or through their reserves and are within a few hours travelling distance, at most, from small or medium-sized urban centres. But their employment opportunities outside of the reserve in many cases are about as limited, for in predominantly farming areas there tends to be surplus White farm populations as well, particularly with the trend toward larger-scale operations and the displacement of small operators. This generally creates intense competition for jobs and limited job opportunities in the towns. Such is the situation in large areas in all three Prairie provinces and the Maritimes, as well as parts of Ontario, Quebec and British Columbia.

The first priority in this situation, therefore, would also appear to be that of training and preparing the younger people in the community for permanent employment and residence in urban centres that have sufficient job opportunities in areas too far from the reserves to allow for regular daily or weekly commuting.

(b) In the majority of cases, bands that have sizable tracts of farmland in their reserves fail to make full use of it. The land, that is to say, could potentially employ more adults and support more families than it now does. This state of affairs has led the Indian Affairs Branch to pour capital, in loans and grants, into such communities in order to encourage Indians to farm. The results have not been very successful in most cases.

It might be argued that Indians in such communities should be encouraged and subsidized because, as in many isolated northern bands, there are unused resources and idle men, and subsidizing their farming activities may seem the only way to prevent progressively greater idleness, dependency and demoralization.

The two situations are not entirely analagous, however, for several reasons.

1. There may be a sound argument for subsidizing the older members in isolated bands in hunting, trapping and fishing, because most of them have a considerable experience, aptitude and preference for such activities, where the financial rewards are adequate (or, at least, above the levels of relief). Few Indians, by contrast, have such preferences and capacities when it comes to farming. It would require much more intensive training and expensive capital investments to equip them for farming, on a basis of efficiency comparable to most White farmers.

2. As stressed earlier, rapid increases in productivity, the increasing size and scale of operations required to achieve optimum efficiency, and the continuance in operation of many subsidized farmers, all serve to render commercial agriculture a poor prospect for new entrants, particularly where a large investment is required to set up each new operation. To subsidize any large number of Indians in such endeavours would tend to perpetuate and contribute further to the problem of excessive numbers of sub-marginal farmers, to reduce their mobility, and reduce their opportunities for engaging in other more remunerative employment opportunities. In general, it would tend to perpetuate the problem of rural slums.[1]

   -a- In some cases where circumstances allow, where land titles are in suitable form, it might be a better course of action to encourage consolidation of farms in Indian communities into larger-scale, more efficient units. Where individual Indians have the requisite desire and aptitude, presumably they should be encouraged to undertake such efforts with the aid and counsel of properly qualified agricultural experts and with liberal credit extended by the Indian Affairs Branch (or its future counterpart under provincial administration).

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[1] Despite the hundreds of thousands of farm workers and operators that have abandoned farming for other pursuits since the war, agriculture remains relatively the most overcrowded and under-paid sector of the Canadian economy. As the table below brings out (from the Economic Council of Canada's Second Annual Review, Ottawa, December 1965), labour income per person employed in agriculture is less than one-half the average for all other industries in the country.

INDEX OF LABOUR INCOME PER PERSON EMPLOYED, BY MAJOR INDUSTRY, 1956*

| Sector or Industry | Index | Sector or Industry | Index |
|---|---|---|---|
| Agriculture | 45.0 | Forestry | 113.2 |
| Fishing and Trapping | 78.0 | Manufacturing | 115.4 |
| Trade | 92.7 | Finance, Insurance, Real Estate | 122.3 |
| Construction | 105.3 | Electric Power, Gas | 138.1 |
| Public Administration, Defence and Service | 106.4 | Mining | 144.8 |
| Transportation, Storage, Communications | 111.4 | All Industries | 100.0 |

* These estimates include an allowance for the income of unincorporated business and net farm income attributable to the labour of the owner. Economic Council of Canada, Second Annual Review, Ottawa, December, 1965, p. 65.

-b- In bands in which such skills, aptitudes and preferences are lacking, it would be more economical to all concerned to lease the land to outside operators, and use the revenues for purposes that the band agrees to (as is now done in many cases).

-c- In still other cases where bands are resistant to consolidation of holdings into larger units and to leasing to outsiders, it may be more economical to leave it idle and unused rather than to subsidize the owners to encourage them to farm it.

Large numbers of Whites owning tracts of farmland leave it unused, for speculation or as a form of insurance in case of need, so there should be no special opprobrium attached to Indians for doing the same thing.

In general, it would appear that in most cases the same amount of investment and expenditure in money, time and effort for special training by expert personnel, could better be used for equipping Indians to engage in urban-industrial types of employment rather than in farming. In any case, the most effective use of Indian-owned farmland is a question that would require the expert advice of agricultural economists.

3. The analysis so far has been concerned mainly with the prospects of Indians in commercial farming. This does not rule out subsistence farming among Indians who own or control farmlands and who, for one reason or another, are unable to migrate and sustain themselves by employment outside the reserve. Where idleness and dependency are the only alternatives, it would seem logical to provide every reasonable encouragement or pressure to engage in subsistence farming and other community projects that would contribute to the real income of the band members. This, presumably, would be among the most useful type of project for a community development program to undertake.

To a certain extent it might prove economical also to encourage greater specialization and division of labour within bands located in agricultural areas. It would be far less so than in the more isolated northern bands, however, for in most farming areas, specialized repair and other retail services are available in cities and towns for the surrounding farm populations.

It could be argued, of course, that bands could get a larger employment multiplier effect out of their limited incomes if households spent more of their incomes within the community, on services provided by trained and skilled band members, rather than spending them in nearby White towns, thus providing income and employment to Whites rather than Indians. Notable examples of such facilities or services that create a large outflow of Indian income, are taxis, pool halls and beer parlours.

There are serious limits to the degree that this principle could be applied, however, apart from such matters as skill and experience:

-a- In many types of retailing (especially supermarkets), economics of scale in serving a large population over a wide area more than compensate for higher transportation costs; and

-b- It is not certain, by any means, that Indians would patronize local services provided by fellow band members in preference to those in a town several miles away, even if they were available at comparable prices. There is an element of psychic income involved in Indians' shopping habits. A large part of the incentive for shopping in town, as in any farming area, is the change and novelty of getting away from the confines of the home community. Another is the symbolic value of having White service workers wait on them -- in reverse to most White-Indian relationships. This is a partial explanation of the tendency among Indians to spend a disproportionately large part of their limited incomes on taxis.

## Casual Farm Labour

A special question of policy concerns the employment of Indians for casual farm labour in certain specialized crops. In Southern Alberta and Saskatchewan hundreds of Indians recruited from numerous bands over a wide area are employed for a few months each year in thinning and harvesting of sugar beets. Rates of pay are far below standards applying in other industries. Agriculture is exempt from provincial labour legislation, including minimum wage laws; housing and other facilities are seriously substandard; and living conditions are generally deplorable. The Indians earn barely enough to live on while working, and generally end the season as destitute as they began and have to go back on relief.

This is a situation that the Indian Affairs Branch should end as soon as possible; for the Branch to cooperate in recruiting and supplying Indian workers to farm employers paying substandard wages and substandard housing and other facilities is undesirable. The Branch cannot, of course, prohibit individual Indians or households from voluntarily seeking and getting such work, but it should use every means possible -- including periodic inspection by placement officers and other personnel, and pressure on provincial and local authorities -- to assure that adequate rates of pay and facilities are provided.

The current situation is open to criticism on several counts:

1. On economic grounds alone, the general principle should apply that any firm or industry that is so inefficient that it cannot meet going or market standards of wage rates and working or living conditions should not continue in operation. If, for reason of public policy, it is essential that the sugar beet industry continue to operate, and if it is so inefficient that it cannot operate without being subsidized, then subsidies should be provided directly by the federal and provincial governments, at levels that will enable the employers to pay adequate wages and provide decent living facilities. As the situation stands now, the industry is being subsidized by the Indian Affairs Branch (which has to maintain sugar beet workers and their families on relief most of the year) and by the Indians themselves, through their under-paid labour.

2. The familiar argument that it is better to have people working -- even if at substandard wages and working conditions -- rather than have them continually maintained in idleness on relief is invalid, partly for the reason pointed out above, and also because it goes directly counter to accepted government policy for labour generally, outside of agriculture. Workers entitled to Unemployment Insurance can remain unemployed and continue to receive unemployment benefits as long as work is not available to them of a type and at rates of pay in line with their previous job experience. When their unemployment insurance benefits are exhausted, they are entitled to unemployment assistance, and ultimately social welfare or relief. The accepted policy, in brief, is that unemployed or destitute people cannot be denied unemployment benefits or relief in order to force them to work at substandard rates of pay or working conditions. To do otherwise would open the way to widespread exploitation and economic inefficiency. To follow any different policy with regard to Indians employed in casual farm labour would be to single them out for discriminatory treatment as second-class citizens.

3. Finally, as numerous studies of casual and migrant farm labour in the United States have brought out, the substandard rates of pay and living conditions, the specially low status, and the disorganized social and family life accompanying such work, altogether have the affect of isolating the group as a lower caste. People become trapped in this way of life, and are unable to adjust to or become accepted in other types of employment. This has happened to large numbers of Whites but for a distinct ethnic group such as Indians the effects are doubly damaging in terms of any long-range objectives toward economic growth and integration.

There is perhaps one important qualification to the above, by way of a possible exception. It has been the experience of placement officers in some parts of the country that seasonal farm labour can be a useful means of introducing Indians from more isolated bands who lack other opportunities for employment, into outside wage work and encouraging confidence to move from the reserves to seek other work. This should be viewed, however, as a purely temporary measure, primarily for educational purposes, in the broad sense. Care should be taken to assure that Indians do not become trapped in low-paid seasonal farm labour as a permanent way of life.

### (c) Disorganized Bands Near Expanding Urban Centres or New Industrial Development Projects

Among the more economically depressed and dependent bands, as noted earlier, are some located close to expanding urban centres or new industrial development projects. In some cases the urban expansion occurs because of new transportation facilities which transform White as well as Indian communities. In others a major new development brings a large influx of newcomers to a relatively small, isolated community, with drastic effects on local Whites and Indians alike. In still another pattern, Indians from various bands are attracted by economic expansion, leave their reserves and become a low-income slum group in urban communities in which they play, at most, a submarginal role in the economy.

Here the main barriers to economic development are not objective economic factors such as shortages of available resources or job opportunities. Rather, as pointed out before, the main factors are socio-psychological including social and personal disorganization among Indians: apathy and lack of motivation; drunkenness; absenteeism and carelessness on the job; and hostility from and discrimination by Whites. It would have to be accompanied by an intensive program of training, social conditioning and placement similar to that recommended for urban migrants from northern Indian communities, as outlined in Section B below.

There are no easy solutions to the type of social problems that such communities present, and no program that can be devised is likely to yield spectacular results. In the midst of unprecedented prosperity, society is still faced with the problem of poverty, particularly among the permanent welfare cases in major metropolitan areas. And applied social science as practised by social workers has yet to discover a means for motivating the more apathetic cases.

The more depressed Indian communities represent a large and important variant of the welfare hard core. They may, however, have one asset that the other more heterogeneous groups lack, a sense of separate identity which represents a latent pride that might be drawn upon to provide some motivation for improvement. This is an asset which a community development program could be designed to tap.

### Education and Economic Development

The subject of education takes up a large section by itself later on in this Report, and provides a complex field of research on its own. Considering the crucial role that it plays in economic development, and is likely to play far more in the future for Indians in Canada, a few general observations about the subject would seem in order at this point.

Intensive studies by various United Nations' agencies, as well as numerous individual scholars have found that there is a higher correlation of economic development with education than with any other single variable. The Economic Council of Canada gives the highest priority to education along with a larger, more comprehensive and coordinated manpower program, for achieving maximum economic growth in this country. Among Indian bands, as noted earlier, the correlation does not appear to be very high, though it may well turn out to be so during the next five to ten years as the new educational policies of the Branch begin to bear fruit.

Education, as pointed out before, helps the individual economically not only through providing the essential technique and know-how required for most jobs in the modern economy, but also by instilling some of the discipline and work habits that modern business, industry and other institutions require.

All three types of economically under-developed or depressed Indian communities discussed above have one feature in common -- that the educational levels of their members are generally low.

A criticism that is sometimes levelled at the educational program now being carried out for Indians, is that it drains communities of their most intelligent, educated and enterprising members. A high proportion of Indian students who complete their high school education and take special vocational, technical or professional training, leave their home reserve permanently.

The data compiled to date about the sample bands and others, do not entirely bear out this criticism. As the sample brought out, there is a high correlation between economic development and the proportion of band members residing outside of the reserve, which suggests that the migration does not contribute to deterioration of the band. True enough, the non-residents generally earn a higher average per capita income than the residents, which suggests that they are concentrated among the more skilled and enterprising, but, at the same time, the residents of such bands also earn, on the average, a higher average per capita income than those of bands with a small proportion of non-residents.

On the other hand, it appears that among the more developed bands are those in which a high proportion of the specially trained professional or semi-professional members return to the same community to practise their trade as teachers, nurses, administrators and the like. This seems to be the case particularly with the Six Nations Band. Unfortunately, the questionnaire circulated by the Indian Affairs Branch, which included a question listing the occupations of band members, does not ask whether the professional or semi-professional members are residents or non-residents.

## B. Summary and Recommendations on Economic Development

### I. General - Cross Country

(1) "Economic development", as the term is used in this Report in discussing Indian communities in Canada, is defined, analysed and measured in terms of per capita real income derived from gainful employment.

(2) Economic development for Indians in Canada has an unique connotation, and will require different types of programs -- or programs with a different emphasis -- from those discussed or recommended in the vast body of literature dealing with the economic development of under-developed or developing regions or nations. In the latter, the main problems are those concerning the acquisition or accumulation of capital and new or improved techniques, to develop available resources more fully, create new industries, and produce larger outputs that will sustain the resident population at higher real income levels. By contrast, for the Indians in Canada, as a small minority of the total population, and residing in hundreds of small, scattered communities within a complex, industrially developed and generally high income economy, the main problems of economic development are largely inseparable from those concerning the broad objective of integration into Canadian society as a whole. Their income and employment prospects in the traditional resource-based industries of trapping, fishing, farming and food gathering are generally static or declining. The main avenue for economic advancement of most Indians in Canada lies in facilitating travel or migration away from their reserves, to take wage or salaried jobs in non-Indian communities and enterprises beyond reserve boundaries. Exploitation and development of resources within or close to their reserve communities would or should play a distinctly secondary role in any comprehensive economic development program on their behalf.

(3) In so far as their economic development is inseparable from their participation in Canadian life in the broad sense, any program on their behalf, to achieve substantial results, will have to be integrated and comprehensive in scope and conception. The most feasible and effective goal or strategy should be, ideally, that of balanced social and economic development. Economic development, that is to say, cannot be realistically viewed or effectively carried out as something done for its own sake, or by peculiarly economic devices, distinct and separate from educational, social, cultural or political considerations. Developments along all these lines must be carried out more or less conjointly, so that they can be mutually reinforcing rather than mutually defeating.

(4) Economic development for Indians will also require greater integration than has been achieved hitherto, in government policy at all levels, federal, provincial and municipal. The federal government in recent years has passed a number of items of legislation designed to deal with various aspects of poverty. These include, for instance, training and retraining programs, loans to unemployed workers to finance their movement to new centres of employment, and financial grants to encourage the rehabilitation and development of depressed rural areas. Some of these measures are, or will be, financed entirely by the federal government, and some by cost-sharing arrangements with provinces and municipalities. These, and other special measures still to be enacted, are, presumably, to be coordinated in the war on poverty announced last year.

The Indians, a majority of whom would be classed among the poor and under-employed, will presumably benefit from various measures undertaken as part of the larger program. As a special problem group within the broad area of poverty, unemployment and under-development, however, they will still require special coordinated programs of their own, with special services and facilities over and above those designed for broad groups of the population.

(5) Hitherto, government policy with regard to Indians has been largely that of protection, maintenance and caretaking, rather than development. To enable Indians to rise to an economic status approaching that of equality with Whites will require, as pointed out, a comparatively massive,

coordinated developmental program on many fronts. This, in turn, will require a much larger level of expenditures than the budget of the Indian Affairs Branch has provided for hitherto -- probably two or three times as large as that for 1964, for instance. (As one rough measure, by way of comparison: total government expenditures for all types of publicly provided facilities and services at all levels -- federal, provincial and municipal, on behalf of the Canadian population as a whole during 1964 were, on a per capita basis, about two and a half times the total expenditures of the Indian Affairs Branch on behalf of Indians. There is probably a much wider discrepancy in the private sector generally.) The Indian Affairs Branch's appropriation, of course, would not necessarily have to be increased by such proportions as these, in so far as various measures undertaken as part of the war on poverty, and financed out of general revenues, may benefit Indians equally with Whites, and provide some of the facilities and services recommended below for the economic development of Indians.

(6) The Indian Affairs Branch's budget will need a major shift in emphasis or priorities, as well as a large increase in amount. During 1964, for instance, out of a total budget of about $60 million, education accounted for about $30 million and welfare about $20 million, while economic development specifically had about $1-1/2 million (though, as stressed earlier, various expenditures in other areas, particularly education, would be deemed appropriate or necessary for any comprehensive program for economic development). An adequate program for the future is likely to mean that, for several years at least, economic development will account for the largest single item in a greatly enlarged budget.

(7) Some major changes in organization, personnel and policy will be required within the economic development division, together with a larger budget. (Note: A number of suggestions outlined below, and some others, were already being undertaken while this Report was being prepared);

(a) Economic development policies of the Indian Affairs Branch hitherto have placed major emphasis on local resource development for Indian communities. The evidence now available indicates that the major emphasis should shift to that of encouraging the migration and placement of Indians in wage and salaried jobs, with local resource development playing a secondary but supporting role, if an adequate rate of growth in real income is to be achieved. One implication of this will be that a much larger and increasing share of the Indian Affairs Branch's expenditures than hitherto will have to be allocated to the provision of facilities and services for Indians who have left their reserves, as compared to those who remain on them.

(b) A staff properly qualified in economics and allied disciplines will be required to gather, collate and analyse pertinent data and prepare integrated, comprehensive reports of the type appropriate for undertaking coordinated economic development programs on behalf of Indians in different regions, as well as to relate the Indian Affairs Branch's role to that of other government agencies at all levels in carrying out such programs.

(c) Properly qualified specialists should also be in charge of various main subdivisions within the Economic Development Division, to be able to deal adequately with various technical questions and types of data that will be encountered. (The main industrial subdivisions now include: Agriculture, Forestry, Fish and Game, Mining and Minerals, and Engineering. At the time of writing, only the latter two were headed by professionally trained persons. A subdivision for Business and Industry also should be added, with specialists and personnel trained in such fields as business management and marketing.)

(d) The function of job placement should have a special role and status in economic development. It should have a larger staff of qualified people, especially at the regional or provincial level (though substantial improvements have been made along these lines over the past two years).

(e) Large numbers of additional personnel having various kinds of special training and experience will be needed, particularly, again, at the regional or provincial level, to provide various kinds of supporting facilities and services for some of the more complex and difficult types of job placement programs.

(8) Economic development for the Indian population as a whole in Canada may be viewed as a process of facilitating the movement of relatively large and increasing numbers, as rapidly as possible, through a series of industries and occupations having widely different job characteristics and requirements with regard to such matters as skill, seasonality, punctuality, degree of mechanization, authority and supervision. These present a rough order of progression from the overcrowded local resource-based fields in relatively isolated areas, to the complex and highly-paid employments characteristic of major urban centres. This order was set out in an earlier chapter.

(9) Job placement, as stressed, must play a central role in any comprehensive program for the economic development of Canada's Indian population. Placement is a complex process that requires specially skilled and qualified personnel to perform or supervise such functions as: liaison with employers, employment service centres, trade unions and other agents or agencies controlling access to jobs in various fields; selection of job applicants; provision of travel grants and other costs of moving; financial aid for housing and resettlement; counselling; mediating between workers and employers; and so on.

(a) Hitherto, the Indian Affairs Branch has limited itself to two main categories of placement, and the personnel have performed the above functions to a varying degree. These are:

(i) Placement of Indians who have received special education or training that qualifies them for certain types of skilled, technical, clerical, office or service jobs. This is the responsibility of special personnel within the Education Division of the Indian Affairs Branch, and

(ii) Placement of unskilled or semi-skilled Indians in casual or seasonal jobs, mainly in such fields as farming, logging or pole-cutting, and rough construction work. This is the responsibility of the Placement Division.

(b) A crucially important area of placement between the above two, as viewed in the broad perspective outlined in (8) above, presents more difficult problems. That is, the placement of larger numbers of Indians in semi-skilled jobs in industrial and business establishments in numerous small or medium-sized towns that have developed in areas having large numbers of unemployed or under-employed Indians. This is particularly characteristic of numerous towns in the northern sections of virtually every province that have developed around the sawmilling, pulp and paper, and mining and smelting industries. It is also characteristic of urban transportation, business and commercial centres in numerous agricultural areas in which numbers of economically depressed and under-employed Indian bands are located. Indians have largely been frozen out of employment in such centres, due to lack of appropriate skills, work habits, or ability to adjust successfully to urban life, on their part, and hostility of White employers and urban residents on the other.

Getting Indians successfully placed in employment and established in such centres would require teams of specialists, and special facilities and services in each region, to perform such functions as the following:

(i) Careful selection and recruitment of Indians from different bands who show promise, in terms of stability of character and work habits, intelligence and adaptability;

(ii) A high-pressure campaign among local employers and businessmen to accept Indians for employment on a subsidized on-the-job training basis;

(iii) Provision of transportation expenses, training grants, and housing loans or subsidies, to enable Indians who qualify for permanent employment to acquire housing and furnishings of a standard comparable to White workers in their job status;

(iv) Counselling by home economists in such matters as household management, clothing, food and sanitation to enable Indians from the more depressed reserves to live a style of life acceptable to their White neighbours in town;

(v) Special educational personnel, courses, and facilities for Indian children, who face special handicaps in attending integrated schools in such communities;

(vi) Counselling by psychiatric social workers to acquaint Indians -- particularly Indian wives and mothers -- with the legal, social and medical services available to them, and to enable them generally to adjust to the difficulties of urban living; and finally

(vii) Special liaison with influential groups or organizations in the town -- businessmen, unions, religious, political, fraternal and others -- to allay criticism or attack, and enlist the utmost public support for the employment and acceptance of Indian families in the community.

(10) The broadly phrased recommendations outlined above, and the more specific ones listed below, arise out of the findings of this Report. These findings have been derived largely from a representative sample of completed Resource Questionnaires circulated by the Indian Affairs Branch to its agency superintendents, supplemented by the findings of numerous special surveys and research monographs. The findings are, admittedly, somewhat fragmentary and of limited accuracy in dealing with some important types of data. This Report, therefore, can properly make only very broad types of suggestions by way of recommendations concerning Indian Affairs Branch policy.

A more detailed type of cross-country research survey will be required to provide a really workable blueprint and give realistic estimates regarding the various types of policies suggested here, involving such questions as: numbers of Indians to be involved in various types of programs; size of capital investments and operating budgets required; numbers and types of staff needed for different operations at the national and regional level; and so on.

(a) A cross-country research survey of this kind would require the following:

(i) An adequate survey of the Indians themselves to provide a workable picture of their present capabilities in the aggregate. Such a survey would involve fairly detailed individual studies by way of physical and aptitude tests, educational attainments, work skills and experience. This could provide an inventory, showing the number of actually or potentially employable people in each community and their potentialities for different kinds of work, as compared to the number that are, or likely will be, permanent dependents. Only when this is done can there be a reasonably accurate estimate of what would be required in terms of money, numbers and types of personnel required for education and training, rehabilitation, relief and welfare, capital loans or grants in each community, each province, and over the nation as a whole.

(ii) A similar detailed, comprehensive survey is required of resources controlled by or accessible to each band community that is resource-based, to any important degree, in its economy. This would require surveys by more expertly qualified personnel, and provide more accurate and reliable estimates than were presented in the Resources Questionnaire circulated by the Indian Affairs Branch in 1964-5. Presumably it would require the use of hired consultants. Such a survey, combined with the manpower survey outlined above, would provide workable guidelines or estimates of the number of Indians in each community who could earn their livelihoods locally, at real incomes above a minimum poverty level of $2,500 to $3,000 per household, if trained and equipped to use efficient and up-to-date techniques in trapping, fishing, farming, logging and sawmilling, food gathering, guiding, and handicrafts.

(iii) And finally, a thorough survey to estimate the numbers and kinds of job opportunities potentially available to Indians within commuting distance of their reserve communities. (This would be of particular importance for bands deficient in locally-owned or available resources, and located near small or medium-sized towns and industrial projects. It would not be so necessary for bands located near large cities or metropolitan centres, for, in this case, job opportunities for Indians could be considered virtually unlimited if they could be trained and inculcated with the requisite skills, incentives, motivation and know-how.)

(iv) On the basis of data from these surveys, a reasonable estimate could be made of the numbers of Indians, along with their aptitudes and qualifications, who may be considered as actually or potentially redundant and unemployed or underemployed in relation to local economic development and job opportunities. Only then can reasonably accurate estimates be made of the magnitude of migration that must be supported for Indians who wish to seek jobs out of their home reserves, the numbers that will have to be relocated and re-established in other communities, the special types of training and conditioning that will be needed, the amounts of loans or investments required for housing them adequately, and the like.

(b) A research survey of this magnitude and detail would, of course, require a far larger professionally or technically trained staff than the Indian Affairs Branch has or would need permanently. It would necessitate, therefore, hiring large numbers of outside consultants and research personnel on a temporary basis. A cross-country survey of this kind would seem more appropriate for the new Department of Manpower to carry out. For, as the Economic Council of Canada's latest report stresses, one of the first requirements of an effective manpower policy is adequate labour market information, particularly as regards job opportunities and job applicants. And, it stresses, such information should be continuously kept up to date. A special survey of Indians, as outlined above, would seem called for, as part of a larger manpower survey. The Department of Manpower, in carrying it out, would presumably have to secure personnel from various federal and provincial departments dealing with industry and resources, as well as from the Indian Affairs Branch. It would be expensive, of course, but in all likelihood economical in the long run, to the extent that it could provide sound guidelines for expenditures in the hundreds of millions of dollars.

## II. Specific Sectors

This research survey indicates, and a more comprehensive and detailed survey of the kind recommended above could bring out more fully and accurately, the different types of economic problems faced by Indian communities in various regions and localities, and the types of economic development programs that would be most appropriate in each case. Among the major groups appear to be the following:

(1) Northern Wooded Belt

One of the most difficult problems of economic development concerns the hundreds of Indian bands scattered across the northern wooded belt of the country. For various reasons, Indians in this vast belt have been forsaking their mobile hunting, trapping and fishing economies and coming to depend increasingly on relief.

For many or most such communities across this broad region, the most appropriate type of program would appear to be three-fold in character:

(a) Through improvements in primary and pre-school education, and various supporting services, increasing to the maximum possible, the number of Indian students receiving secondary and vocational education or training in centres having the required personnel and facilities;

(b) To support the entry of as many Indians as possible into industrial wage employment away from their reserves (as outlined in I. (8) and (9) above). (Particular emphasis should be placed on younger workers in their late teens or twenties, for two main reasons: (1) their greater adaptability to urban employment and living conditions; and (2) the deterrent effects which their leaving would have on birth rates and natural increase among the reserve population); and

(c) To devise local resource and community development projects for the resident reserve populations, to raise their per capita or household real incomes above the poverty level; or, more specifically, to increase the real incomes to be derived from gainful employment sufficiently above those received from relief, to induce able-bodied Indians to become active workers rather than idle dependents.

These objectives, but particularly the latter, would require such services and facilities as the following:

1. Specialized training, by teams of qualified instructors travelling to each community, along several lines, and for several purposes, as follows:

   (a) Generalized training for all adults in certain basic skills essential for making adequate livelihoods in relatively isolated northern communities (e.g. for men: motor mechanics and repair, carpentry and plumbing, and other basic types of construction jobs; for women: cooking, nutrition, child care and household maintenance).

   Such training could potentially serve several purposes, such as:

   -- enable Indians to build and maintain better homes and other facilities for themselves;

   -- enable the Indian Affairs Branch and other resident institutions to hire resident Indians for various types of building and maintenance work;

   -- fit more Indians to take advantage of new employment opportunities that might at any time develop within fairly easy access of their band communities.

   (b) Special training in improved techniques in methods of catching, and in care and preparation, processing and shipping, of produce derived from local resource industries (e.g. trapping -- preparation of skins; fishing -- filleting and processing; logging and sawmilling, etc.).

(c) Special courses in bookkeeping and accounting, for self-employed trappers, fishermen and other producers who have to deal with outside buyers, suppliers and creditors.

(d) More specialized, and lengthier, training for a minority of more qualified candidates in larger northern Indian communities that could support some local residents employed in full-time specialized services rather than importing such services from outside at high cost. This would apply particularly to repair services for outboard motors, snowmobiles, power saws and other types of automatic power-driven machines that are coming into increasing use.

(e) Other specialized training for limited numbers of individual Indians in communities where available resources or markets offer reasonable prospects for remunerative employment in certain lines (e.g. as suggested in Buckley, Kew and Hawley's study of Northern Saskatchewan for instance).

2. Provision of efficient, up-to-date equipment on a liberal rental or credit and purchase basis. Subsidization of Indian trappers and fishermen in the northern region as regards provision of equipment would be justified if it served to give them a special inducement to work rather than remain idle and dependent on relief with the proviso that the beneficiary would sacrifice his equity or right to rent such equipment if he failed to maintain it adequately, or put it to optimum use.

One of the main requirements, for many Indians dependent on hunting, trapping and fishing, appears to be equipment and facilities that will increase their geographic mobility, to enable them to move to more distant, under-utilized areas having plentiful supplies of fish, game and fur-bearing animals. Such equipment would include, for instance, snowmobiles or bombardiers, outboard motors for boats or canoes, and, in strategic areas accessible to several bands, airplanes and storage facilities.

3. Organization and establishment of more efficient and economical storage, processing, transport and marketing of local produce, in particular fish and furs, in northern communities.

Some intensive studies point to various inefficiencies or diseconomies in the operations of the fishing, trapping and logging and sawmilling industries in the northern region, as evidenced by inordinately large mark-ups and spreads between the low and inadequate returns to the primary (predominantly Indian) producers and the final prices for the finished products in retail markets. These spreads have been largely attributed to different sets of factors operating to varying degrees among different communities and with different communities and with different products, namely: (1) exploitation by individuals or companies having local monopolies in the purchase of the primary producers' outputs as well as in the provision of equipment and supplies; (2) wasteful competition and duplication of facilities; and (3) a high element of risk, in providing credit and in selling produce in outside markets that are subject to extreme fluctuations in price.

Several alternatives have been suggested at one time or another to meet these problems.

(a) Processing and marketing cooperatives organized on behalf of Indian, Métis and a minority of other primary producers. While perhaps an ideal solution for their educative as well as economic benefits, such cooperatives would be exceedingly difficult to organize and run effectively, on truly democratic principles in the immediate future, mainly because of limitations in education, skill, experience and motivation among northern Indians and Métis, and various adverse factors in their social and cultural environment.

(b) Government-owned and operated marketing boards, and storage and processing facilities, operating on both the buying and selling side. Presumably these would be under provincial jurisdiction, though by mutual agreement such jurisdiction could be transferred to a federal government agency such as the Indian Affairs Branch. Much of its potential effectiveness might be vitiated, however, by long-established attitudes of many Indians and Métis towards government agencies.

(c) Perhaps the most effective and reasonable compromise, in the immediate future at least, might be privately-owned and operated marketing and processing facilities that have local or regional monopolies (or limited competition) under careful government control and supervision, along generally similar lines to those of public utility regulation. In principle, at least, this could prevent wasteful competition and duplication of facilities, on the one hand, and monopolistic price exploitation on the other.

4. The handicraft industry, as a potential source of additional employment and income for Indian households in many areas, is one that perhaps requires a special research study on a fairly wide scale, and should include such questions as the feasibility of large-scale centralized marketing facilities, provision of equipment and supplies, and more efficient division of labour and sub-division of processes.

5. Community development as the term is generally interpreted to mean, should be viewed as playing a distinctly secondary or ancillary role in the economic development of Indians in the northern belt. The prime need, as indicated above, is to support, by all feasible means, the maximum free movement of Indians away from their present reserves to become re-employed and re-established in more promising centres. For those who wish to remain in or close to their home reserves, the main requirements are those of training in new (or at present unacquired) skills, and new and more efficient equipment and facilities. In any case, the prior needs appear to be those of intensive training in various techniques, and sizable investments of capital, for the members of most or all band communities.

Community development may be viewed primarily as a device for imbuing the residents of a community, individually and collectively, with the motivation and will to undertake, on their own volition, measures to improve their situation -- in a word, to help people to help themselves. Given the provision of adequate technical training and capital investment, as suggested above, community development could play an important supporting role in encouraging the more enterprising Indians to emigrate from their reserves, and encouraging the residents to rationalize the hunting and fishing, fuel gathering, kitchen gardening, and building projects that could add materially to their real income, comfort, welfare and morale. Without something tangible to work with, by way of more efficient techniques and equipment to utilize available resources, community development efforts alone might lead to frustration and disillusionment.

## (2) Bands Located in Farming Areas

(a) For bands located in rural areas that lack sufficient land or locally available job opportunities, the main problems of economic development would seem roughly comparable to those of most northern bands discussed above. The first priority, therefore, also appears to be that of training, preparing and financing students and younger workers or households for permanent residence and employment in urban centres that have sufficient job opportunities, in areas located too far from home reserves to allow for regular daily or weekly commuting.

(b) Much the same sort of considerations apply to many bands across Canada in which arable land within reserve boundaries could, potentially, support a larger number of farm households than it now does. The question then arises: To what extent should the Indian Affairs Branch, as part of an economic development program, provide financial subsidies, technical advice and other forms of aid to encourage larger numbers of Indians to engage in commercial farming?

As spelled out in some detail in preceding chapters of this Report, the available evidence appears to weigh overwhelmingly against such a policy. Commercial farming generally is the most overcrowded single field of employment in Canada, with the result that under-employment is considerably greater, and the income from gainful employment considerably less on the average than for other industries and occupations. The same applies to Indian farm proprietors in comparison to fellow band members engaged in wage or salaried employment in other industries. They are generally less motivated and experienced than White farm proprietors, and their incomes and financial resources are, on the average, far more limited.

In the vast majority of cases, therefore, it would not be economical for the Indian Affairs Branch to attempt to establish Indians in commercial farming. The money, time and effort and personnel that would be required could be used more effectively for training and financing Indians who wish to leave their reserves to work in other industries.

(c) In some cases where circumstances allow, and where land titles are in suitable form, it might be a better course of action to encourage consolidation of farms in Indian communities into larger-scale, more efficient units. Where individual Indians have the requisite desire and aptitude, presumably they should be encouraged to undertake such efforts with the aid and counsel of properly qualified agricultural experts and with liberal credit extended by the Indian Affairs Branch (or its future counterpart under provincial administration).

(d) In bands in which such skills, aptitudes and preferences are lacking, it would be more economical to all concerned to lease the land to outside operators, and use the revenues for purposes that the band agrees to (as is now done in some cases).

(e) In still other cases where Indian band members are resistant to consolidation of holdings into larger units, and to leasing to outsiders, it may be more economical to leave it idle and unused rather than to subsidize the owners to encourage them to farm it.

(f) The analysis so far has been concerned mainly with the prospects of Indians in commercial farming. This does not rule out subsistence farming among Indians who own or control farmlands and who, for one reason or another, are unable to migrate and sustain themselves by employment outside the reserve. Where idleness and dependency are the only alternatives, it would seem logical to provide every reasonable encouragement or pressure to engage in subsistence farming and other community projects that would contribute to the real income of the band members. This, presumably, would be among the most useful types of projects for a community development program to undertake.

(g) To a certain extent, it might prove economical also to encourage greater specialization and division of labour within bands located in agricultural areas. It would be far less so than in the more isolated northern bands, however, for in most farming areas, specialized repair and other retail services are available in cities and towns for the surrounding farm populations.

(h) Seasonal farm labour is generally low paid, and working and living conditions are generally inferior to those applying in other industries. The Indian Affairs Branch, therefore, should encourage Indians to participate in this type of work only temporarily, where it is useful in accustoming Indians to wage work outside their reserves, where other employment opportunities are lacking. Every effort should be made -- including periodic inspection by placement officers and other personnel, and pressure on provincial and local authorities -- to assure that adequate rates of pay and facilities are provided by employers.

### (3) Disorganized Bands Near Urban Centres or Industrial Projects

Many of the most depressed bands are located close to urban centres or new industrial projects offering manifold job opportunities. Here the main problems of economic development are not physical -- in the sense of distance or isolation, or shortage of resources — but social or psychological in nature.

This is the sort of situation in which a well planned community development program would appear to have the highest priority. Community development, however, would have to be directed as much or more towards the Whites as towards the Indians. It would have to be accompanied by the following:

1. an intensive program of training of Indians to prepare them for the types of job opportunities available;
2. intensive training and counselling work, particularly among Indian women, in household economics, dress and personal care to prepare the families for living in a new and changing urban industrial environment;
3. an intensive social work program for rehabilitation; and
4. an intensive educational and public relations program aimed at key groups in the White community.

A key issue of policy is whether, in the educational program designed for Indians, a special effort should be made to educate and train Indian students and provide special incentives to them to return to their home communities to provide the various professional, educational, and administrative and other services now performed largely by Whites -- as agency superintendents, teachers, nurses, technical experts, community development officers, and the like. On the face of it, this would seem to be a logical objective. On the other hand, it is not entirely clear that Indians would be better suited to perform such services in view of such difficulties as the factionalism frequently found in Indian communities and the ambivalent attitudes of Indians towards themselves as well as Whites (describable in over-simplified terms as an inferiority complex).

### (4) Relatively Developed, High-Income Bands

For the minority of relatively developed high income bands, there is little that one can recommend in a general research survey of this kind by way of specific programs to encourage further development other than the provision of expert advice, facilities for educational and vocational training and the like. It would seem only logical that the poorer, under-developed bands should get the highest priority.

(a) There can be an argument for encouraging greater diversification in training and employment among members of the higher income bands. The highest income bands, as noted earlier, are those in which a majority of the adult males are specialized in high-wage manual employment. This renders the community potentially vulnerable to sharp economic reverses, due to depletion of resources or to technological change and displacement of labour. A greater diversification of the occupational and economic base of such communities seems a desirable objective in the long run.

(b) A number of high income bands occupy reserve land that is strategically situated to take advantage of industrial and commercial development of various kinds, and in a number of cases Indians have become successful industrialists and business proprietors on a modest scale. In such cases, it would seem appropriate to aid and encourage band members to develop their own local industries as much as possible by provision of adequate capital and expert technical advice in business management and operation. In many cases, however, it may be more economical and productive in the long run to lease reserve land to outside interests to use for industrial or business sites, as these latter, having larger amounts of capital and expertise, can operate on a scale and level of efficiency that few or no band members can manage. In such cases, it would seem appropriate that every effort be made to assure that Indians are given prior opportunity and training for new job opportunities that the tenant firms provide.

(c) In some cases, bands may refuse to lease reserve land that would contribute materially to their revenue where they fear that an influx of outside business or industrial interests may cause disruption in the community and threaten their survival as a distinct cultural entity. Such has been the reaction, for instance, among the Caughnawaga and Six Nations. While such reactions may be uneconomic in the orthodox sense, they seem justified in terms of human goals and satisfactions. Economic development, after all, is merely a means for fulfilling the goals that a people deem important, and if cultural survival is a prior value of a band's members, they should be given every assistance to use their economic assets to that end.

### C. Government Responsibility for, and Administration of, An Economic Development Program for Indians

The recommendations outlined above call for a much larger and more comprehensive program for the economic development of Indians in Canada, making necessary a vastly larger budget and a greater number and variety of trained personnel to this end. The question then arises: What portions of the total program, and which parts or aspects of it specifically, should be financed and administered by the federal and provincial governments respectively?

This, of course, is much too large a question to attempt to answer in any sort of detail at this point, and is considered again in later chapters. Offered below are merely a few broad observations on the economic aspects of this question.

The Indian Affairs Branch, to an increasing extent, has had to depend upon provincial government agencies and personnel and provincially-owned or controlled resources to carry out its responsibilities to Indians, and to pay provincial governments on some mutually agreed upon estimates of cost for services rendered. There seem, on the face of it, to be some strong arguments for giving the provinces most or all of the responsibility for economic development programs on behalf of the Indians. The main reasons offered appear to be as follows:

(a) The wide diversity of problems to be faced in furthering economic development, varying widely from province to province, and among different Indian communities within each province. Most such problems appear to be local, or at most, regional in scope, involving such issues as the utilization by Indians of resources accessible to their band communities; job opportunities within limited distance from their reserves; relationships with Whites with whom Indians come regularly, or periodically in contact; and so on.

(b) Economic development for Indians requires, increasingly, their greater participation in Canadian society. In specific terms, this involves, for an increasing proportion of the Indian population, greater mobility and residence for long periods, or permanently, away from their reserves. Inseparable from such mobility are increasing involvement and participation in, and dependence upon, institutions, agencies, facilities and services outside of the reserves (e.g. business or industrial undertakings; trade unions; schools; hospitals; social welfare agencies; recreational facilities and activities; and the like). The vast majority of these are directly, and exclusively, under provincial jurisdiction or control, are financed or staffed by provincial government personnel, and/or are subject to provincial government rules and regulations.

(c) The growing dependence upon wage or salaried employment, outside of their reserves, as the main avenue for the economic advancement of Indians in Canada. Provincial governments, in the aggregate, have jurisdiction over jobs accounting for more than 90 per cent of the Canadian labour force. The exceptions, under federal jurisdiction, are those in ocean, lake and river waterways and harbours; railways, airlines, and inter-provincial bus and truck transportation; telephone, telegraph, radio and television communication; and Federal government facilities and services. Hence, provincial governments are responsible for passing and enforcing legislation, covering more than 90 per cent of all workers in the country, concerning such matters as wages and hours, holidays, working conditions, labour-employer relations, protection against discrimination in employment on racial, ethnic or religious grounds, and the like. Effective protection of Indians against discrimination or exploitation, therefore, does and will have to depend primarily upon the terms of provincial legislation and their effective enforcement by provincial government personnel.

(d) Provincial governments likewise have exclusive jurisdiction and control over the use of most resources, outside of reserve boundaries, on which the livelihoods of many Indians depend. In recent decades the cooperation of provincial government agencies with the Indian Affairs Branch has been necessary to protect Indians from ruinous competition and displacement from primary resource employment (e.g. the allocation of trap lines and fishing licences in various localities). Protective action by provincial governments may well be even more important in the future. Indians are becoming displaced in increasing numbers from their traditional resource-based employments in hunting, trapping, fishing, and food gathering, and will have to depend increasingly for their livelihoods and economic advancement on wage employment in resource-based manufacturing industries, and the communities that develop around these, such as in sawmilling, pulp and paper production, mining and smelting, and hydro power development. Control over the use and allocation of resources gives provincial governments considerable leverage for assuring that Indians have sufficient opportunities for on-the-job training and employment in such fields.

In this connection, there are strong moral or ethical grounds for asserting that provincial governments should contribute far larger amounts of money and trained personnel for coping with the problems of depressed Indian communities of the kinds described above, for provincial governments, in the final analysis, have jurisdiction over the use of resources and the allocation of jobs within their boundaries and control over the types of development that take place in using these resources. Quite properly, therefore, they should assume prior responsibility for the social and economic costs that are a direct by-product of such development, such as depletion or spoilage of resources on which Indians depend for their livelihood, technological changes that render various types of employment obsolescent, new resource development projects and influxes of population that cause social disorganization in established communities, and so on. Hitherto provincial administration has tended to sanction various types of revenue, while dumping the problems they generate in the laps of other authorities, such as the Indian Affairs Branch and local or municipal governments.

(e) The annual revenues and expenditures of provincial governments and of municipal governments under their jurisdiction have, in the aggregate, been increasing relative to those of the federal government in recent years, and now exceed the latter by a considerable margin. These provide -- potentially for Indians as well as for the rest of the population -- a much larger volume and variety of public facilities and services than in previous years, particularly in such areas as education, health and social welfare; transportation and public works; and resource development and conservation. They also provide, in the aggregate, a rapidly expanding field of employment in which provincial governments, where so inclined, could assure a wide choice of opportunities for on-the-job training and wage or salaried work for Indians. Particularly promising and important in this regard appear to be provincial government employment in areas of Indian population that are relatively far removed from major urban or industrial centres (e.g. construction work on roads, highways and other public works; resource development and conservation projects; educational, health and welfare services; and various types of clerical and office work).

(f) In general, then, provincial governments within their own respective boundaries have, under their direct jurisdiction and control, the main factors that are crucial for the economic development of Indians, as discussed elsewhere in this Report: i.e. natural resources and industrial development; employment and labour-employer relations; regional and community planning and development; education, health and social welfare. And, to an increasing extent, they have the financial resources or revenues to support expanding facilities and services in these various fields. Hypothetically, then, if a provincial government were fully committed to a program of economic development for Indians within its territory, and this were made the responsibility of a senior minister or committee of the cabinet, it could conceivably achieve far more effective authority, coordination and drive than any program of the Indian Affairs Branch, which has to depend essentially on the voluntary cooperation of various provincial governments and agencies on a rather piece-meal basis.

**The considerations outlined above indicate that, to an increasing degree, provincial governments have been, and will continue to be, assuming functions and responsibilities on behalf of Indians, which previously had been assigned almost exclusively to the Indian Affairs Branch.**

**It should not be concluded from this, however, that the role of the Federal government, or of the Indian Affairs Branch specifically, will or should decrease in importance, in absolute or relative terms, and much less that its functions and responsibilities should be transferred entirely to the provinces -- for the vastly enlarged and comprehensive program of economic development recommended for the Indian population across Canada seems likely to require greater efforts and expenditures at both levels of government. What should be anticipated is, rather, that there will be greater and, it is to be hoped, more efficient specialization, division of labour and coordination of functions between the Indian Affairs Branch and provincial governments in the enlarged program recommended. While the Indian Affairs Branch's role in some aspects of economic development may reasonably be expected to decline, relative to the provinces, in other aspects it should expand to far greater proportions than has been attempted hitherto -- for there are crucial issues concerning the economic development of Indians across Canada which individual provincial governments, in the nature of the case, are not equipped to handle.**

**(a)** **Where, as outlined in (f) above, a provincial government is willing and able to commit sufficient money, personnel and resources to a comprehensive developmental program for Indians within its boundaries, and to use its full legal powers to protect their needs and interests, there may be good grounds for the Indian Affairs Branch handing over responsibility to that province, and limiting itself to a purely advisory role in that province's area of jurisdiction. This seems unlikely to develop in any but one or two provinces in the foreseeable future, however. For Indians across Canada as a whole, the role of the Indian Affairs Branch seems likely to remain of crucial importance.**

**(b)** **As innumerable reports and surveys have stressed, there are wide inequalities in average per capita income and in government resources and revenues -- and, therefore, in the expenditures that can be afforded for economic development -- among the provinces. By and large, the provinces most in need of the facilities, personnel and services needed for adequate economic growth are least able to afford them. Achievement of a more balanced and equitable growth and division of economic opportunities across the nation as a whole, therefore, must depend upon programs initiated and carried out by the federal government (and for Indians, by the Indian Affairs Branch) in cooperation with other federal agencies).**

**(c)** **Among the high-income provinces with relatively ample government revenues, there are wide discrepancies or inequalities in the priorities given to the development of human as against material resources respectively, and in expenditures per capita for such services as job placement of the unemployed, education, health and social welfare, as compared to those devoted to roads and highways and natural resources exploitation. British Columbia, for example, enjoys the highest average earnings per person employed of any province in the country. It likewise experienced the highest rate of growth in total income during 1951-61, and came second only to Alberta in expansion of employment and in investment per capita during this period. Yet, over the past two decades it has suffered the unusually high average annual unemployment rate of 5.1 per cent (as compared to 3.2 per cent for Ontario, 2.7 per cent for the Prairies, and 4.4 per cent over Canada as a whole). And, during 1961-63, it ranked fourth and fifth among the ten provinces in per capita government expenditures for health (including mental health) and education, respectively.[1] Such facts suggest that there would be unequal willingness among provincial governments to take over from the Indian Affairs Branch and effectively carry out responsibility for the education,**

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[1] **Figures quoted are from Economic Council of Canada, Second Annual Review, "Towards Sustained and Balanced Economic Growth", (Ottawa, December 1965), Chap. 5.**

health, employment and economic development of disadvantaged minority groups such as Indians.

Such being the case, it seems only reasonable to assume that, to assure adequate protection and furtherance of the needs and interests of Indians, a federal government agency such as the Indian Affairs Branch will continue to be needed, and to have the financial resources necessary to provide adequate facilities and services to Indians, wherever and whenever provincial governments are unable or unwilling to do so.

(d) Again, for many Indians, the most effective program of economic development will lie beyond the capabilities of provincial governments regardless of such considerations as their individual willingness or financial resources. For Indians in a number of the more depressed bands in the Maritimes and in Southern Saskatchewan or Manitoba, for instance, the most feasible means of economic advancement would appear to be that of movement to urban or industrial centres in other provinces.

Or again, for the large number of Indian bands across the whole vast northern wooded belt of the country from Quebec to British Columbia inclusive, a viable economic development program, as described earlier in this Report, would require a variety of special personnel, facilities and services which provincial governments could not provide, individually, without a great deal of wasteful duplication and unnecessarily high costs.

(e) All this leads up to the central point stressed repeatedly in earlier sections of this Report; namely, that to achieve substantial economic development for the Indian population of this country, top priority must be given to measures that will enhance potential mobility, support those who wish to move away from their reserves, and train and otherwise prepare them for wage and salaried employment in available centres of job opportunities.

Provincial governments simply are not equipped to provide a comprehensive training and relocation program of this kind, and on the scale that will be required. Only the federal government has any sort of framework of trained and experienced personnel, research facilities and financial provisions, on the basis of which an adequate program can be developed. To date its activities along these lines have been inadequate, and carried out in uncoordinated bits and pieces.

A really effective program on behalf of Indians could best be carried out as one part of a new, larger, more comprehensive and better coordinated manpower program by the federal government for the labour force as a whole. The Indian Affairs Branch could and should have an important role in any such program, to provide experienced personnel and special facilities to meet the special needs of the Indian minority in the labour force.

(f) This conclusion seems to fit in well with the recommendations of the Economic Council of Canada in its recently issued second report entitled, *Towards Sustained and Balanced Economic Growth.* The Council gives top priority to educational and manpower planning as the two most vital requirements for Canada's continued economic growth. In a general context of overall demand sufficient to achieve full employment, and vulnerable therefore to labour shortages and inflationary "bottlenecks", the report states that:

> The area of greatest need for urgent and effective action is that of manpower and labour market policies. (p. 179)

Its specific recommendations in this area include the following:

(i) Establishment of an effective administration, specifically, "the establishment of a new ministry of manpower services. Such a ministry could be the sole coordinator of all manpower policies and programs, including not only those now in the Department of Labour but also those in the Department of Citizenship and Immigration" (p. 181).

(ii) Expansion of programs for training and retraining -- "An urgent need, as we stated in our First Annual Review, is to develop facilities to improve occupational mobility, i.e. the basic education, training and retraining of both new entrants to, and existing members of, the labour force" (pp.181-2).

(iii) More adequate labour market information -- "Nothing is more crucial to the development of an effective employment service and to the improvement of the functioning of the labour market than job vacancy data.... What is needed is specific and up-to-date information on job opportunities by occupation, industry, area, wage rates, skill and educational requirements" (p.183).

(iv) Effective programs to assist mobility -- "We urged a year ago that a program of adequate financial allowances be made to facilitate geographic mobility where this was desirable. This has become an increasingly urgent matter in view of the bottlenecks which have developed in the labour market" (p. 184).

(g) The Economic Council of Canada was established by the dominion government two years ago as an advisory body of experts which could provide guidelines for and establish priorities in government economic policy. The Federal government now appears to be taking steps to implement some, at least, of the Council's recommendations. A new Department of Manpower is already being established to include the National Employment Service, the Immigration Branch, the Technical and Vocational Training Branch, the Civilian Rehabilitation Branch and the Manpower Consultative Service, as well as a large part of the Economics and Research Branch of the Department of Labour.

From this point of view the new department would seem to be the most appropriate place for the Indian Affairs Branch. For one thing, it should help establish retraining and placement in paid employment as the main priority for economic development, in place of farming and local resource development projects, which have tended to have top priority hitherto. However, this study has not paid adequate attention to all the possible implications of such a move and we cannot confidently make a recommendation. Even were a move made, it would not appear that the new Department of Manpower, with Indian Affairs as one of its branches, should assume responsibility for all the economic and other needs of Indians. A comprehensive economic development program on their behalf cannot consist exclusively of measures to encourage greater mobility, training and retraining, resettlement and job placement. Local resource and community development projects will continue to play an important role in many Indian communities. And, as stressed earlier, economic development will require various supporting programs in such fields as education, health, housing and social welfare. All these, in turn, will continue to require close liaison with and cooperation from other government departments and agencies at both the federal and provincial levels.

(h) To return briefly to the original point at issue, i.e. federal vs. provincial responsibility for Indians in Canada: The fact that the individual provinces constitutionally have prior legislative and administrative jurisdiction over labour, industry and resources, as well as education, health and welfare, undoubtedly imposes serious limits on the effectiveness of any developmental program undertaken by the Indian Affairs Branch on behalf of Indians, just as it does for any larger program of economic or manpower planning undertaken by the federal government. But that is not to say that the federal government, or the Indian Affairs Branch specifically, should abandon such programs, or that the provinces could carry them out more effectively.

Canada's economic growth undoubtedly could be achieved on a more stable, and balanced and equitable basis if the federal government had more power to control the use of resources and the allocation of capital investment on a centrally planned basis (as the French government has, for instance). And the manpower program recommended by the Economic Council could be made to function much more effectively if the federal government had more direct control over employers, and could require them to give prior notice of all dismissals and layoffs, and publicize all job vacancies (as is the case in Sweden, for instance). The same would be true, on a smaller scale, for any economic development program undertaken by the Indian Affairs Branch. The fact that it lacks the powers of provincial governments to directly allocate or control industry and resources, or to compel employers to follow certain policies, does not, however, mean that the provinces would be capable of assuming the main, or entire, responsibility for the economic development of Indians, any more than they are capable of carrying out an adequate manpower policy for the nation. For in both cases, to repeat, only the federal government has the financial capacity, personnel, research facilities and administrative structure for carrying out adequate economic programs, on a national scale, on behalf of the populations residing within the individual provinces. Given adequate financing, staffing, planning and coordination at the federal level, a great deal can be done to supplement provincial programs and influence provincial policy, despite the lack of direct federal legislative control or jurisdiction. How effective such programs will be in each province will depend largely, of course, on the degree to which provincial governments are willing to use their legislative and administrative powers to fully utilize and implement the funds, facilities and services made available by the federal government for economic development programs.

In any case, as part of a new department that is in the process of formulating an ambitious and coordinated manpower program, the Indian Affairs Branch should have opportunities for acquiring more prestige and status, and exerting greater leverage or bargaining power than it has had hitherto, to obtain adequate funds and personnel, and to elicit cooperation from other government agencies as well as from private interests.

# CHAPTER XI

# THE CANADIAN FEDERAL SYSTEM

Historically the Canadian Indian has had an especially strong link with the federal government and a weak and tenuous relationship with provincial governments. The initial basis for this circumstance was the assigning of "Indians and Lands Reserved for the Indians", 91-24, to the federal government under the British North America Act. In response to this assignment of legislative authority, an Indian Act was passed, an administrative structure was created, and special policies were developed for a particular ethnic group, the indigenous inhabitants of Canada. The result of the preceding was that the federal government involved itself in the provision of a complex series of services for Indians which other Canadians received from provincial and local governments.

This unique situation was justified and sanctioned by assumptions and attitudes which reflected the fact that while non-Indians lived in a federal system, the Indians virtually lived in a unitary state. Up until 1945 the federal government uncritically accepted its special responsibilities for Indians on the grounds that they were wards of the Crown. Provincial governments, with no pressure to do otherwise, assumed that Indians were beyond the ambit of their responsibility. The Indians, for their part, developed a special emotional bond with the federal government, and suspicious and hostile attitudes to the provincial governments.

For reasons to be discussed later, this situation has increasingly come under attack. New policies have emerged designed to render more normal the relationships of Indians and governments in the federal system. The attainment of this objective is fraught with exceptional complexity, and cannot be understood without a preliminary evaluation of Canadian federalism and the legal status of Indians.

This chapter analyses in some detail the basic aspects of Canadian federalism relevant to the present policy of moving the Indian more fully into the provincial framework of law and services. The following chapter analyses the legal status of Indians and the flexibility available for the development of a new pattern of federal-provincial responsibilities for Indians.

Federal systems are typically selected by constitution builders as a response to necessity. The factors of territorially grouped ethnic diversities, vast land masses, or distinct regional identities founded on separate historical experiences are capable, singly or jointly, of eliciting federal structures to create policy-making responsiveness to divergent needs. The basic characteristic of federal systems, the division of law-making authority between a central and several regional governments, is almost invariably accompanied by a written constitution which details the division of legislative authority, a final court of appeal to adjudicate inter-governmental legal disputes, and a complex amending procedure. A certain rigidity in the formal structure of federal systems is a corollary of the desire of the constituent governments for security in the exercise of the powers they have been granted. Since the formal structure is relatively inflexible, and since the underlying society experiences massive changes over time, federal systems are prone to respond to new circumstances by the elaboration of informal mechanisms of flexibility which significantly alter the working of the system while leaving its formal structure relatively untouched.

The kind of relationships by which the various governments are bound to each other, and the relative importance of each level of government vary from a loose relationship for minimal objectives and with a weak central authority, to a highly centralized version with predominant powers granted to the central authority and only a restricted stage for the exercise of autonomy granted to the regional governments.

The formal structure of Canadian federalism in 1867 was highly centralist. The provinces were given the least burdensome functions, access to the least productive tax fields, and a restricted law-making authority which was subject to federal veto. In the Confederation debates they were frequently referred to, in a derogatory sense, as little more than municipalities.

In the period between 1867 and the present, there have been important cyclical shifts in the relationships between governments in the federal system, and in the relative importance of the functions performed by each level. One of the most important long-run changes has been the movement from a situation in which Ottawa was clearly the dominant government in the federal system to one in which the autonomy of the provinces has been given increasing recognition. The coercive instruments of federal control contained in the British North America Act -- disallowance of provincial legislation, reservation of provincial legislation by the Lieutenant Governor, and the general supervisory functions initially allotted to the latter federally appointed official -- have fallen into disuse. These formal mechanisms of federal control are virtually obsolete. Intergovernmental relationships are now bargaining relationships which take place within a context of interdependence which recognizes the growing role of provincial governments.

Coincident with the erosion of the dominant position of Ottawa which was clearly visualized in 1867, there have been important changes in the role of government at both levels. The concept of the positive state intervening in society on utilitarian grounds has become widely accepted, although disputes and friction still remain at the margin when changes in the role of government are under discussion. In Canadian federalism there has been a long-run tendency to magnify the significance of the functions entrusted to the provinces. Important burgeoning areas of government activity in health, welfare, education, highways, and the development of natural resources are provincial concerns. In retrospect it is evident that periods in which the central government played a predominant role have been products of crises in which the very existence of the federation seemed to be in doubt -- in general, the years of birth, war, and depression.

One of the most fundamental long-run changes in intergovernmental relations has been from a situation in which provincial and federal governments carried out their activities in reasonable isolation from each other to one in which there has been a proliferation of intergovernmental relationships. While the Confederation agreement presupposed a reasonable amount of intergovernmental collaboration, its extent was minimal compared to the present day. The basic reasons for the paucity of intergovernmental collaboration at Confederation, and indeed up until World War I, were twofold, the limited functions then performed by governments, and the related absence of sufficient administrative competence for the performance of more extensive and sophisticated tasks. In essence the lack of federal-provincial cooperation reflected the fact that the necessity for harmonizing policies is primarily a product of attempts to control the economy and to achieve basic social objectives by government actions. As these were lacking, the impetus to cooperative federalism was also absent.

It was not, in fact, until the post World War II period that the actual interdependence of the two levels of government was sufficiently recognized for habitual and effective methods of intergovernmental collaboration to emerge. A brief discussion of the post war variant of Canadian federalism will serve to illustrate the nature of the change.

From the beginning of World War II to the present there have been more important changes in Canadian federalism than in the preceding seventy years. There was a marked assertion of central government powers. In the immediate post war period the federal government was unwilling to relinquish the powers it had originally acquired due to wartime exigencies. The combination of electorates seeking more extensive government services, federal politicians seeking votes, the growth of egalitarian sentiments, and little public concern for the constitutional structure of federalism dovetailed perfectly with the fiscal dominance of Ottawa to orient the federal system in a centralist direction. The record of provincial incapacity in the depression and effective federal government performance in World War II tended to justify an enhanced post war role for the federal government. The regional political revolts in Quebec and on the Prairies had moderated in intensity as prosperity returned and the attainment of office institutionalized protest movements. These factors combined to reduce concern for provincial autonomy. A further impetus for these changes was the contribution made by the war effort to a growing nationalization of outlook, especially among returning veterans and their relatives. The war also had an important effect in creating an electorate responsive to welfare ideas, and in conjunction with the depression revelations of the inadequacies of an unregulated economic system, facilitated an enhanced post war role for the state. The war and post war period also witnessed a dramatic speedup in the tempo of industrialization and urbanization in Canadian society and, although the process is not completely clear, this has been correlated in western democracies with an increase in government economic control and provision of welfare services.

Post war federalism developed new techniques of intergovernmental collaboration designed to minimize the barriers which a divided power structure imposed in the way of solving problems beyond the capacity of any one level of government. Less attention than hitherto was paid to the role of the courts in policing the boundaries of the federal system or to the possible usefulness of the amending process as a device to allocate functions to the government most suited to handle them. These traditional instruments of constitutional adaptation were replaced by a new emphasis on flexibility arrived at by political agreement which left unchanged the formal provisions of the British North America Act. The constitutional divisions of legislative power declined in significance as exclusive determinants of the actual conduct of governments in the system. Jurisdictional lines are increasingly blurred as governments pool their fiscal resources and legislative capacities to tackle problems which could be handled by a single government only with difficulty. A dramatic increase in the scope and intensity of intergovernmental collaboration has been brought about by a striking improvement in the sophistication of technique and understanding which civil servants and politicians bring to bear in making the new federalism workable. Flexibility is now primarily located in new sets of attitudes and assumptions of politicians, civil servants, and the general public which are manifest in a complex pattern of agreements negotiated by the executives of both levels of the federal system. Thus post war Canadian federalism differed greatly from its predecessor with respect to the significance to be attached to the divisions of power found in Sections 91 to 5 of the British North America Act, the mechanisms for accommodating the federal system to the changed demands which were made upon it, and the amount of intergovernmental cooperation that occurred.

There has been a growing realization that federal-provincial relationships must be flexible and capable of frequent revision as circumstances require. There is less inclination than formerly to look for final solutions, for they imply rigidity. Cooperative federalism is an attempt to overcome constitutional and legal relationships with the much greater flexibility of the political approach. Underlying and contributing to the blurring of jurisdictional lines there has been the growing interdependence of the activities of both levels of government which clearly requires intergovernmental cooperation for maximum effectiveness. Federal and provincial politicians and civil servants increasingly realize the necessity of living in the short-run because of the unpredictability of the circumstances they will encounter in the future. In consequence there has been the growth of a pragmatic approach to problem-solving in Canadian federalism. Cooperative federalism is basically less a theory than a pragmatic response to demands which could not be effectively met within the framework of strict respect for divided jurisdictional authority. An ad hoc piecemeal approach has dominated the techniques of problem-solving in Canadian federalism since the failure of the Rowell-Sirois proposals and the federal proposals at the post war reconstruction conference to gain provincial acceptance.

The federal government saw its post war role not only as one of economic stabilization in accordance with Keynesian principles, or as one of providing the provinces with adequate unconditional revenues to undertake their functions, but to a significant extent as determining the standards by which specific provincial services were to be provided. The post war federal government was diligent in finding a national or public interest in a wide range of provincial services to justify federal financial inducements to alter the priorities and standards by which particular provincial public services were to be performed. The Rowell-Sirois commission had proclaimed that the "mere importance of a service does not justify its assumption by the dominion", but this opinion in no way inhibited the federal government's diligence in discerning some kind of national interest in a great many provincial services in order to justify its intervention. The intervention was primarily accomplished by the mechanism of conditional grants. This was a device whereby Ottawa, using financial inducements, persuaded provincial governments to alter their performance in aided areas of activity in the direction desired by the donor government. The conditional grant, a device which evaded constitutional restrictions by by-passing them, allowed a changing mix of federal and provincial financial support for functions assigned by the British North America Act to the provinces. Essentially it is a device which induces the provinces to do something they would not do, or would not do in the same manner, without federal financial assistance.

These grants underwent a dramatic increase in the post war period, growing from $50,000,000 in 1945-46 to $860,000,000 in 1963-64. The paradoxical feature of this striking growth is that for most of the post war period, overt provincial criticism was almost non-existent. Quebec excepted, provincial governments were prepared to tolerate federal involvement in provincial jurisdiction which markedly affected their capacity to establish their own policy priorities. The levelling of jurisdictional barriers by the conditional grant resulted in a "fused federalism" characterized by involvement of the federal administration in virtually all of the provincial areas of "exclusive" jurisdiction: natural resources, social welfare, highway building, higher education, local government, and so on. Provincial acquiescence was the more surprising in view of the serious criticism conditional grants had received at the hands of the Rowell-Sirois report in its comprehensive survey of Canadian federalism published in 1940.

The widespread use of the conditional grant mechanism was the most striking indication of the breakdown of classical federalism and the recognition of the emerging interdependence of government activity at all levels of the federal system.

Explanations for the successful conduct of a growing area of federal-provincial interaction are not easy. The relations between federal and provincial governments defy simple analysis. Relationships vary from those of an ad hoc informal nature at the "grass roots" level of administration to formal continuing collaboration under the aegis of legal agreements. It should also be noted that although, in some cases such as federal-provincial conferences at the highest level, it may be argued that confrontation and collaboration take place between governments as such, this is not always so. In fact, in most cases contacts occur between small official groups drawn from each jurisdiction. The clashes or compromises which take place at this level of contact differ little from those which occur between officials of different departments of the same government.

Post war Canadian federalism has been characterized by a proliferating committee and conference structure which brings together federal and provincial politicians and civil servants to develop and administer intergovernmental agreements and to discuss extension of joint endeavours to solve problems outside any single jurisdiction. The most obvious device here has been the top level political conference at the level of premiers and cabinet ministers. While this category of interaction attracts the most attention and provides important possibilities for the exchange of views and the resolution of tensions, it is likely that a host of federal-provincial committees at the civil service level play a more important role in harmonizing the workings of the federal system. This fused federalism is to a large extent an administrative federalism.

system. This fused federalism is to a large extent an administrative federalism.

It is, therefore, of great importance to understand the factors that facilitate or inhibit administrative collaboration across the jurisdictional dividing lines of the Canadian federal system. By common consent the most important factor here has been the emerging professionalism of both jurisdictions. This has had the effect of creating horizontal groupings of professionals who were typically less concerned with hierarchy and departmental loyalty than with the accomplishment of tasks by the application of professional standards. These officials were able to make common cause for their objectives and to make common professional standards basic criteria for decision-making.

The capacity of professionals to collaborate with each other was related to their occupational culture. Professionalization triggers off a number of developments which strengthen the bonds between individuals with similar expertise. The growth of national associations, publication of journals, and in-group meetings at conferences, tend to support identification with fellow professionals at the expense of ties of loyalty and obedience to hierarchical superiors devoid of expertise. Such individuals belong to subcultures based on particular skill endowments which frequently constitute the primary focus of their concern. As Smiley says:

> It may also well be true . . . that officials in these specialized intergovernmental groupings do not look single-mindedly to their hierarchical superiors for rewards. Once such a community of interest and purpose is established officials may come to that community for influence and status. If and when this is so, the conduct that will result in the desired rewards being conferred will be based on the ability to establish and sustain cooperative relations with officials of other jurisdictions.[1]

Not only do these individuals share a common identity but they have the natural desire of specialists to solve problems themselves without the intervention of superiors less cognizant of the values of the specialist group. Such officials know that failure to solve intergovernmental tensions in their own field by their own actions could lead to the intervention of outsiders possessed of different values. Also, once a federal-provincial program becomes a going concern, officials in both governments have strong motives of self-interest in its continuation. They recognize that their program has greater financial support under a conditional grant arrangement than would be the case if federal funds were not forthcoming. A department which receives a conditional grant obviously is placed in a favourable bargaining position vis a vis its own treasury officials.

The service is provided on the cheap as far as the administering government is concerned. Presumably the difficulty of treasury control is enhanced by the fact that the program officials involved can always plead the cause of not jeopardizing federal-provincial relations by refusing to accept federal financial support, and on the grounds of the alleged national interest involved in a program of concern to Ottawa. One result, therefore, of a conditional grant is an increase in the autonomy of the aided department from external supervision. This interpretation is supported by the fact that analysis of conditional grants in Canada generally finds program officials to be warm supporters, while treasury officials tend to be hostile or lukewarm.

The federalism of the conditional grant era, therefore, was characterized by a relaxed political control of the civil service untypical of the theory of parliamentary government with its assumptions of ministerial responsibility and tight political control. This development was facilitated by the growth of a much more extensive set of collaborative arrangements between federal and provincial officials jointly concerned with particular functions than prevailed between political ministers and the personnel of control agencies such as the Treasury Board. There was, therefore, a greater degree of contact between professionals with narrow, but similar, interests than between officials and politicians of the two governments more concerned with coordination and with the assessment of priorities. This situation facilitated the isolation of one program from another and gave program officials in conditional grant areas a degree of autonomy not enjoyed by officials in non-aided areas.

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[1] D.V. Smiley, "Public Administration and Canadian Federalism", Canadian Public Administration, Vol. vii (September 1964), p. 379.

Up until the mid-fifties, post war federalism was basically centralist. Although no comprehensive reallocations of federal-provincial functions were undertaken, the cumulative effect of ad hoc changes was consistently in the direction of centralization. It is now, however, evident that this trend has been reversed, and that Canadian federalism has entered a decentralizing period. Since a main aspect of Branch policy is to increase the provincial role pertaining to Indians, this growth of provincial self-assertion and power merits examination.

The most obvious statistical indication of the changing nature of Canadian federalism is the shifting proportion of total government expenditures accounted for by the different levels of government in the system. Provincial and municipal government expenditures are growing rapidly relative to central government expenditures. In 1939 federal, provincial, and municipal governments shared almost equally in total government expenditures in Canada. Under wartime pressure the federal share rose to 87% in 1944. By 1963 the federal share had dropped to 46%, the provincial share had risen to 26% and the municipal to 28%. A projection of government expenditures indicates that if there are no major changes in defence spending and no major reallocations of functions between governments, each level of government will be spending about one-third of the total by 1980 -- a return to the pre-war division. Given provincial responsibility for municipalities, such a trend would put two-thirds of total government expenditures under provincial jurisdiction. The factors behind existing and anticipated changes basically reflect the fact that the functions of government undergoing the greatest expansion are primarily municipal and provincial. The provinces, in asserting their needs and rights to more tax money, have the obvious justification that they and not Ottawa are constitutionally entrusted with authority over most of the developing areas of government activity.

It is not necessary for our purposes to comment in detail on all the factors which help explain the shifting balance of power in the federal system. The following points are relevant:

(1) The period of centralization which is presently receding was in large part an aftermath of war and depression. As the influence of these events has waned, the justification for federal dominance in the political system has correspondingly declined.

(2) The perceived importance of fiscal policy to counter economic fluctuations appears to have diminished in recent years. As a result, the rationale for federal fiscal dominance has weakened.

(3) The federal government's ability to offer uncompromising resistance to provincial pressures for decentralization has been reduced by the minority government situation which has prevailed in four of the last five federal elections. In contrast to the weak appearance of the federal authority most provincial ministries are faced with ineffectual oppositions, are led by strong-willed and aggressive premiers, and in a number of cases have enjoyed exceptionally long tenure of office.

(4) These changes have been accompanied by and reflect fundamental improvements in the competence of provincial administrations. The marked improvement in the competence and confidence of the public service in almost every province has been a factor of peculiar influence in federal-provincial relations during the past ten years. Civil service reforms, the elimination of patronage, entrance by competition, and security of tenure were introduced first at the federal level and then spread slowly to the provincial governments. Today the process is almost complete and it is no longer safe to assume that administrative competence resides only in federal hands. In area after area the

provinces possess a predominance of administrative competence and expertise. This emergence of expertise, especially in the large and wealthy provinces, has removed much of the paternalism from federal-provincial relations in specific areas, and we can expect provincial administrators and their political superiors to become even less likely to accept federal leadership as they grow more aware of their own capacities.

(5) There has been a gradual shift in the social and economic thinking about the role of government in the economy and with respect to welfare. In the post war period economic policies were essentially generalized measures to ensure full employment and economic growth. In the field of welfare, the basic improvements, commencing with family allowances, were located in the various categorical programs of income maintenance. As it became clear that these system-wide approaches did little to improve the position of disadvantaged groups such as Indians, or to alleviate the economic problems of particular areas, emphasis shifted to more discrete approaches which singled out particular communities and groups whose needs required special attention. This emphasis is manifest in various community development programs, in ARDA, and in the economic activities of provincial governments which are frequently oriented to the particular economic needs of depressed localities. The significance for the federal system of these developments is simply that while system-wide approaches naturally emanate from the federal government, the more specialized approaches required for the attack on the problems of particular groups or localities are more appropriately handled by provincial governments in many cases.

(6) The emergence of a new administrative and political elite to power in Quebec has led to a vigorous assertion of provincial power with accompanying demands for more "tax room" and for federal government withdrawal from its involvement in provincial matters. The changes in Quebec include a significant increase in the tempo of economic interventionism by the provincial government, one effect of which is to further reduce the relative importance of the federal role in economic matters.

(7) The growing power and influence of the provincial governments in Canadian federalism is intimately related to the importance of the economic levers they control. The growing expenditures of provincial governments exert a weighty influence on the country's economy. All but three of the provinces cover vast land areas whose lavish natural resources are exploited at the discretion of provincial cabinets. The boom in most of the northern hinterlands is subject to their exclusive jurisdiction.

(8) New political orientations within provincial cabinets are combining with growing administrative competence to impart a planning emphasis into provincial economic policy. Unlike the decade of the fifties when provincial cabinets formulated their budgets with inadequate views of the future, all provincial governments now recognize that the expansion of their role in the provincial economy necessitates sophisticated understanding of, and reaction to, economic events within and without their borders. The result has been the formation of consultative bodies on economic policy -- the Manitoba Development Authority, the Nova Scotia Voluntary Planning Board, the New Brunswick Research and Productivity Council, the Quebec Economic Advisory Council, the Ontario Economic Council, the Saskatchewan Economic Advisory Council, and the Alberta Economic and Productivity Council.

The nature of the general development of a planning orientation in the provinces is helpfully described by Smiley:

> The provinces have been increasingly successful in attracting able and aggressive officials in both their treasury and program departments and have increasingly guided their conduct in terms of long-term projections of the needs for roads, schools, hospitals and other public amenities. Provincial commitment to budgetary and program planning gave rise to dissatisfaction with the inherent paternalism of the grant-in-aid

> device, particularly when Ottawa took action to sponsor new shared-cost programs or change the terms of existing ones without adequate prior consultation with the provinces. The complex of highly specific shared-cost arrangements was compatible with harmonious relations between the two levels only so long as provincial administration was somewhat haphazard and the 'fifty-cent dollars' available from Ottawa looked attractive because the provinces were not committed to rational procedures of priority-allocation.[1]

(9) The cumulative effect of the preceding has been to stiffen provincial resistance to ad hoc federal initiatives which disrupt provincial priorities and plans. One result has been a growing criticism of conditional grants, a criticism shared by the present federal Prime Minister. In his opening remarks to the 1963 Federal-Provincial Conference he stated:

> We have now reached a stage at which it is wise, in the interests of effective cooperative federalism, to take stock and consider whether some of these programs should be changed in favour of a full assumption of provincial responsibility, if that is the wish of the provinces.
>
> Often in the past these shared-cost programs have been the only way forward over the obstacles created by the uneven fiscal capacity of the provinces and the competing demands on provincial treasuries. In recent years, however, we have developed -- in our system of equalization grants -- an alternative way of meeting these obstacles and enabling all provinces to afford new programs. These unconditional, general purpose grants take into account fiscal needs . . . .
>
> One can readily conceive of a new arrangement involving transfer to the provincial governments of full responsibility for some of the present shared-cost programs; such a transfer could be carried out on a scale that would involve hundreds of millions of dollars. Naturally the provinces could not be expected to assume full responsibility on such a scale unless they were to be compensated. One way to do this would be in the field of equalization payments and by increases in the abatements which the federal government makes in its tax laws to take account of provincial taxes.[2]

Prediction of future developments in Canadian federalism is especially hazardous because for the first time since the depression Canadians are discussing the basic features of their federal system with passion and vigour. It gradually became clear that the cumulative effect of post war ad hoc changes with a short range emphasis was capable of introducing significant qualitative changes in the federal system. In reaction to this there has been a renewed concern for fundamentals. The attempt being made to find guiding principles in French-English and federal-provincial relations is one of the most important manifestations of the changing climate. The Laurendeau-Dunton Commission, the proposals for amending and delegation procedures, the swelling critique of conditional grants and the resultant opting out provisions, the ending of tax rentals, and the frequent demands for a new constitution are all indicative of a revived concern for the establishment of basic ground rules in Canadian federalism. In general, it seems evident that the federalism of the immediate future will reflect simultaneously the growing importance of the provinces and the necessity for an even greater degree of federal provincial collaboration to harmonize the inescapable impact of the activities of each level of government on the other in a time of increasingly positive government at both levels.

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[1] *Ibid.*, pp. 380-81.

[2] *Federal-Provincial Conference 1963*, Ottawa, 1964, p.14.

In retrospect it is clear that the cooperative federalism which prevailed from 1945 to the late fifties was, as its critics suggested, largely a one-way street. While consultations did take place in some areas, the federal government launched conditional grant sorties into provincial fields quite often without even informing those provincial jurisdictions which were supposed to help finance the federal initiatives. The selective nature of federal financial inducements often distorted priorities which the provinces had set up for their own fields of constitutional authority, but there was no quid pro quo; the provinces whose policy-making autonomy was effectively diminished by Ottawa's manoeuvres were not compensated with any influence over the exclusive federal areas of policy-making.

While cooperative federalism, in the sense of both levels of government trying to concert their policies wherever possible, will certainly continue, it will be a much different species than cooperative federalism mediated largely by the conditional grant technique which prevailed up until recently. As indicated above the conditional grant itself is now under serious criticism and it will doubtless play a less important role in the future of Canadian federalism than it has in the recent past. It is probable that federal involvement in specific provincial programs will become less important than the much more difficult task of attempting to find and use cooperative mechanisms with respect to policies of economic growth and stabilization.

This change in the subject matter of cooperative federalism will be accompanied by an important change in the key participants in cooperative federalism. The predominance of program specialists which prevailed in the conditional grant era when federal-provincial relations concerned discrete areas of activity will be replaced by a greater degree of collaboration at more general levels in which the key personnel will include prime ministers and premiers, ministers and officials of finance and Treasury Departments and leading personnel from planning and development agencies whose activities pertain to fundamental economic questions. Superficially it would seem that these developments will lead to a reduction in the autonomy of program officials and they may make agreement in specific areas more difficult to obtain or make such agreement dependent on agreement in other areas to an extent that has not prevailed in the past. The gap between the existing apparatus for cooperation on the one hand and the demands which future developments will place on Canadian federalism maked prediction hazardous. It is clear that at the moment cooperative federalism represents a goal still to be achieved rather than a habitual pattern of institutionalized cooperation that can be taken for granted.

In the midst of this century-long context of change in Canadian federalism, one factor has remained constant -- the almost total exclusion of Indian communities from the services provided by provincial governments. Partly by default and partly by choice, the Indian Affairs Branch became responsible for administering almost the entire life of a small minority. A clientele department with an especially broad area of concern, it has been forced to deal with education, welfare, local government, economic development, community change and a series of specific responsibilities pertaining to the special status of Canadian Indians. The Branch, in short, has been a miniature government rather than an ordinary functional department. The Indians for whom it provided services numbered approximately 100,000 at the turn of the century and have recently grown to 217,864 in 1965. As of March 31, 1965 there were 551 bands and 2,267 reserves (including 72 Indian settlements not classified as reserves) administered by 87 agencies.

In response to post-war pressures the Indian Affairs Branch underwent important organizational and policy changes and involved itself in a number of new areas of activity. Clerical influence in education was reduced; qualifications of school teachers were improved; a small group of welfare specialists was hired; a large-scale housing program was developed; a revolving loan fund was created; an economic development division was established, and a new Indian Act was passed. In general, the Branch enlarged its budget and its personnel, brought in professionals, attempted to improve its standards of service, and began to stimulate research into the problems it was encountering.

In spite of these efforts, it has become increasingly evident that the Branch cannot develop the same degree of internal specialization of function and personnel as have the other governments in the federal system which constitute the model on which it is increasingly judged. The population served by the Branch is smaller than that of every province but one, smaller than several Canadian cities, and so geographically dispersed that the efficient use of specialist personnel was, and is, seriously hampered.

While these problems have always existed, their importance has grown due to two new post-war factors. Fifty or seventy-five years ago when governments played a comparatively restricted role, the special status of Indians, and in particular their exclusion from provincial services, was not overly disadvantageous. The restricted level of services provided Indians by the Branch probably did not materially differ from those received by their non-Indian neighbours from provincial and municipal governments. Now, however, with the development of positive government at the provincial level in such key areas as education, welfare, and economic development, the disadvantages of Indian exclusion are marked.

In a very general way it would seem that the seriousness of Indian exclusion from provincial government services can be measured by the relative significance of those services to all government services. Statistics cited earlier make it clear that the magnitude of provincial (and municipal) expenditures is rapidly increasing relative to federal expenditures. It is generally evident that the positive impact of provincial governments on the standards and styles of living of their citizens has markedly increased in recent years. While these are blunt standards of assessment, they are sufficient to reveal that an absence of provincial involvement with Indians constitutes a graver disservice to the Indian people than hitherto was the case.

The increasing importance of the services constitutionally assigned to the provinces has been accompanied by overall improvements in the competence of provincial administrative personnel. While this is not a sufficient condition for extending provincial services, it is a supplementary condition of considerable importance. In a number of areas the balance of civil service understanding and skill rests with the provinces and it is a disservice not to bring Indians into contact with the expertise at the disposal of provincial governments.

The disadvantages in service provision which now attend Indian status occur at a time when no successful defence can be offered for an inferior second-class status for a non-White ethnic minority. One of the factors which has been of great importance in fostering the policy of extending provincial services is the principled opposition to differential treatment along ethnic lines. While liberal democracies not only tolerate the special claims of certain groups -- the aged, the unemployed, the sick, the young, etc. -- but provide special facilities or benefits for individuals in these categories, they have been increasingly unwilling to tolerate different treatment based on grounds of "race" alone. The ending of imperialism in Africa, the struggles of the American Negro for equality of treatment, and the propaganda necessities of the Cold War have all contributed to this new climate of opinion to which governments are responding. Differentiation on ethnic grounds has become synonymous with discrimination, apartheid, second-class citizenship, and generally a host of emotive catch-words.

General egalitarian values and specific hostility to ethnic discrimination render politically difficult the continuation of serious differences in the levels and quality of services provided to Indians and non-Indians. The growing sophistication of the services of provincial governments confronts the Branch with an impossible task should it attempt to provide on its own similar services for Indians. The impossibility, in the absence of unlimited funds, of the Branch providing comparable services constitutes an important structural reason for increasing the tempo of provincial involvement. The desirability of generally procuring the extension of provincial services to Indians is an inevitable consequence of the growing importance and sophistication of those services.

In the fields of roads, welfare, education, and resource management primary responsibility and expertise resides in the provinces. Policies designed to further local economic growth also require provincial cooperation because of provincial control of natural resources and a growing concern for planned resource management. The preceding all constitute functional areas of marked importance for any policies designed to alleviate the backward conditions which prevail in many Indian communities.

It is evident, therefore, that existing trends strongly support the policy of extending provincial services to Indians providing suitable arrangements can be made with the provinces and Indians are in favour of such changes. Public and parliamentary support for this policy is found in the 1946-48 Special Joint Committee of the Senate and the House of Commons appointed to examine and consider the Indian Act and in the representations made to the Committee. Strong advocacy of this policy can also be found in the representations before the 1959-61 Joint Committee of the Senate and the House of Commons on Indians Affairs and in the Committee's recommendations.[1]

In response to these pressures and in the light of its own analysis of the situation, the Indian Affairs Branch has accepted the necessity and desirability of increasing the involvement of the provinces in Indian affairs. For reasons to be described below, provincial governments have become much more receptive to these Branch initiatives than they would have been a decade earlier. The concept of the Indian as a "ward" of the Crown, and a special and exclusive responsibility of the federal government is weakening.

As a consequence of these new responsibilities, there has been an important shift in the style and orientation of the Indian Affairs Branch. The Branch which had been one of the most parochial of government departments has become increasingly outward looking. The policy of extending provincial services necessarily means that one of the most important contemporary Branch activities is the development of the kind of positive relationship with provincial governments which will induce the latter to employ their resources and abilities on behalf of the Indians who live within their boundaries.

Pursuit of the objective of extending provincial services to Indians has placed the Branch in a new role which is essentially diplomatic. The Branch has become deeply involved in the intricacies of Canadian federalism. It is helpful to see this Branch role in the light of international relations. If the Branch is viewed as an independent state and the provinces as other independent members of the international community, then much of Branch activity is clarified. Formerly in this international system the Branch had an isolationist foreign policy. The development of formal relations with the provinces has been very recent. As a result, the Branch has very little experience in this area. Formerly there were a number of local arrangements between administrators, but, aside from fur and game, almost nothing of a continuing nature. The Branch was an inward looking body which avoided foreign entanglements. As this role became obsolete, the Branch became more outward looking. It found that it required the services of other governments to fulfill its responsibilities. This required the development of new techniques for negotiation and follow-up with the provinces. As a result, a new Federal-Provincial Relations Division was formed to provide staff advice and to keep track of proliferating agreements with provinces, school boards, and private agencies. The preparation of formulae which combine appropriate legal terminology with precise definitions of financial responsibilities and control mechanisms has become a key sector of activity.

Conversations with Branch officials reveal the apposite nature of the analogy. They are "pleased with the developments in province X", "worried about the breakdown of an agreement with province Y", "disturbed by a recent speech by a provincial cabinet minister from province Z", and so on.

From this perspective certain basic points, which will be further developed in a later chapter, can be made.

Perhaps more than any other federal branch or department, the special nature of its task requires the Branch to be exceptionally well informed of the intricacies of the federal system in which it must work. The successful implementation of a federal role for the Branch will require changes and improvements in the realm of attitudes, knowledge and machinery. In spite of official changes in policy, the Branch is still hampered by traditional attitudes derived from its isolationist background. In a number of cases, it was observed that the "federal" role of the Branch did not have the high priority which its importance justified. It is all too easy to assume that the time-consuming task of maintaining and developing good relations with the provinces is of lesser importance than working with "the files". The knowledge available in the Branch for the successful performance of a diplomatic role is inadequate. Factual knowledge of provincial legislation is often either unavailable, or, if available, is so diffuse and scattered as to be unusable. It is an admittedly difficult task for the Branch to be fully aware of legislative and policy changes in each province, the import of such changes for Indians, and the making of whatever representations are required to see that such changes do not discriminate against Indians either deliberately or through inadvertence. While perfection is not to be expected in matters of such complexity, significant improvements in Branch performance can, and should, be made.

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[1] These two important Committees will be cited hereafter as Joint Committee followed by the appropriate year.

A consequence of a federal system is that the actions of each government in the system constitute variables for the other governments. Eleven major governments exist in the same political system. If they are to make the association fruitful, they will not deliberately or unconsciously pursue policies or initiate changes which frustrate the legitimate objectives of other governments in the system. Thus an elementary goal of general policy in the field of federal-provincial relations is to reduce the uncertainty which the diffusion of power in a federal system involves. This, however, is only a beginning. It is necessary to go further and where appropriate to pool federal and provincial legislative authority and fiscal capacities to provide solutions to problems which could not be as efficiently solved by either level of government acting alone.

As applied to the needs of Canadian Indians, an ideal policy would be one in which both levels of government applied their respective legislative and fiscal resources in a cooperative fashion to overcome the general isolation, poverty, and backwardness which prevail in most Canadian Indian communities. The barriers to the attainment of this desirable result, and suggestions for overcoming some of the barriers are examined in the following chapters.

# CHAPTER XII

## THE LEGAL STATUS OF CANADIAN INDIANS

Section 1.

The general purpose of this chapter is to analyze the legal status of Canadian Indians and some of the consequences which have been attached to it.[1] The first section of the chapter discusses the limitations on the competence of the federal and provincial governments to enact legislation pertaining to Indians. The second section evaluates the degree of flexibility available to policy-makers who seek to introduce a division of federal and provincial responsibilities for Indians different from the one which now exists.

As the discussion proceeds, it will become clear that the legal status of Indians is exceptionally complex. The fact that Indian status ultimately relates to two levels of government in Canadian federalism is one major complicating factor. Section 87 of the Indian Act is far from unambiguous in its definition of the relation of provincial laws of general application to Indians. A second major difficulty reflects the fact that there have been comparatively few cases handled by the courts. Although there have recently been several cases dealing with hunting rights, it remains generally true that attempts to state categorically the precise content of Indian status are rendered difficult by the comparative paucity of cases which the courts have been called upon to decide. In addition, we have been distressed to note that legal scholarship in Canada, in contrast to the United States, has rarely addressed itself to the fascinating complexities of the legal status of this growing minority group.[2] As a consequence of the preceding factors, we have been compelled to attempt the clarification of an especially complex area of law with few reliable guides to prevent us from falling into error. Hopefully, our preliminary attempt will encourage others more gifted than ourselves to an area that would benefit from careful and continuing scrutiny.

By Section 91(24) of the British North America Act, 1867, exclusive legislative authority over "Indians, and lands reserved for the Indians" is assigned to the Parliament of Canada. Two preliminary observations concerning the ambit of s. 91(24) are in order. First, s. 91(24) assigns legislative jurisdiction over not one but two subject matters. The principles and cases relevant to the scope of the word "Indians" are not necessarily of assistance in determining what falls within "lands reserved for the Indians". The Privy

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[1] It should be noted that the survey of Indian legal status presented in this chapter is of a general nature and is not intended to be a comprehensive, exhaustive analysis. For example, no attempt has been made to discuss the law with respect to Indian taxation privileges as provided in Section 86 of the Indian Act, and there is no discussion of the complicated issue of the legal status of the Six Nation Indians. For the latter see Malcolm Montgomery, "The Legal Status of the Six Nation Indians in Canada", Ontario History, Vol 55, June, 1963.

[2] For a useful exception see H.E. Staats, "Some Aspects of the Legal Status of Canadian Indians", Osgoode Hall Law Journal, April, 1964.

Council decisions, by and large, are concerned with Indian "lands". The Canadian courts, as will appear below, very frequently have failed to distinguish between the two parts of head 24 with the result that it is often unclear whether the judge in a particular case finds constitutional support for federal jurisdiction on the basis that the enactment in question concerns Indians or on the basis that it concerns the lands of Indians. A second, and related, point is that head 24 does not assign authority over Indians *on* lands reserved for the Indians but over Indians *and* lands reserved for the Indians. In other words, there is nothing in head 24 to suggest that legislative authority over Indians, as such, hinges on whether or not the statute in question is sought to be applied to an Indian on Indian lands as opposed to an Indian who is not on such lands. This matter, too, will be adverted to below in connection with the importance placed in some of the cases on the question of whether or not the Indian was, at the material time, on an Indian reserve.

Several points pertaining to judicial construction of head 24 of Section 91 may conveniently be referred to at the outset. On a reference, the Supreme Court of Canada has held that the term "Indians" as used in head 24 includes the Eskimo inhabitants of Quebec.[1] While the question referred to the Court was confined to the Eskimos of Quebec, the reasons given support a like conclusion with respect to Eskimos elsewhere in Canada. Again, there is case authority for the proposition that the Eskimos of the Northwest Territories are "Indians" within the meaning of head 24.[2] The meaning of the term "Indian" in particular statutes may, of course, be narrower than the corresponding term in the British North America Act. This is so with the Indian Act,[3] section 4 of which excludes Eskimos from the term "Indians" as used in that Act. It may be, too, that a person who was once an Indian for purposes of the Indian Act, but has lost his status as an Indian under that Act (e.g. by enfranchisement), may nevertheless continue to be an Indian for purposes of the British North America Act.[4]

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[1] Re Eskimos [1939] S.C.R. 104.

[2] R. v. Kogogolak (1959) 28 W.W.R. 376; R. v. Koonungnak (1963) 45 W.W.R. 282; Kallooar v. R. (1965) 50 W.W.R. 602. These are all decisions of Sissons, J., in the Territorial Court.

[3] R.S.C. 1952, c. 149.

[4] This is true in spite of Section 109 of the Indian Act which states: "A person with respect to whom an order for enfranchisement is made under this Act shall, from the date thereof, or from the date of enfranchisement provided for therein, be deemed not to be an Indian within the meaning of this Act or any other statute or law". It is clearly not open either to parliament or to a legislature to control the definition of terms in the British North America Act by defining the same term in a particular way in a particular statute. Accordingly, the words "or any other statute or law" at the end of s. 109 of the Indian Act are not applicable to the British North America Act.

Nor are those words applicable to any provincial statute or law. Parliament clearly cannot dictate the construction of terms in a provincial enactment. Whether a particular provincial statute adopts the Indian Act definition rests at the discretion of the provincial legislature. Thus the Government Liquor Act of British Columbia, R.S.B.C. 1960, c. 166, Sec. 75(1) accepts the Indian Act definition of persons "to whom the sale of intoxicants is prohibited" under the latter Act, while Sections 12 to 15 of the Evidence Act, R.S.B.C. 1960, c. 134, adopt a different definition. The marginal notes refer to "Indian" testimony, etc. but the Act defines such a person as "any aboriginal native, or native of mixed blood, of the continent of North America or the islands adjacent thereto, being an uncivilized person, destitute of the knowledge of God and of any fixed and clear belief in religion or in a future state of rewards and punishments..." Section 23 of the same Act states that the "Court, Judge, jury, or Magistrate may infer as a fact the nationality or race of the person in question from the appearance of the person".

Finally, even with respect to other federal statutes, it is within the competence of parliament to define "Indian" in the same way as, or differently than is done in the Indian Act. Section 109 of the Indian Act with its statement that an enfranchised Indian shall be deemed "not to be an Indian within the meaning of ... any other statute or law" should be properly construed as an instruction to parliament. Whether the instruction is followed depends on parliament.

The scope of the words "lands reserved for the Indians" has also received judicial attention. In the St. Catherine's Milling case the Privy Council pointed out that those words were not synonymous with "Indian reserves" but were to be more broadly construed. Lord Watson, delivering the judgment of the Board, stated:

> . . . counsel for Ontario referred us to a series of provincial statutes prior in date to the Act of 1867, for the purpose of showing that the expression "Indian reserves" was used in legislative language to designate certain lands in which the Indians had, after the royal proclamation of 1763, acquired a special interest, by treaty or otherwise, and did not apply to land occupied by them in virtue of the proclamation. The argument might have deserved consideration if the expression had been adopted by the British Parliament in 1867, but it does not occur in Sect. 91(24), and the words actually used are, according to their natural meaning, sufficient to include all lands reserved, upon any terms or conditions, for Indian occupation. It appears to be the plain policy of the Act that, in order to ensure uniformity of administration, all such lands, and Indian affairs generally, shall be under the legislative control of one central authority.[1]

This point may assume particular importance in British Columbia if the future course of decision establishes that the Royal Proclamation of 1763 extends to that province -- a question on which the British Columbia Court of Appeal divided in the recent case of R. v. White and Bob.[2] If it is found that the proclamation does apply to the province, and this is taken in conjunction with the fact that the greater part of British Columbia has never been formally surrendered through treaties made with the Indians,[3] this would suggest a broader ambit of federal authority in relation to "lands reserved for the Indians" than is generally conceded. In such a case, federal authority would extend not only to reserves as conventionally understood, but also to all the lands in British Columbia which have not been formally surrendered to the Crown by the Indians.

The discussion of distribution of legislative power to follow is primarily concerned with the constitutional effect of assigning legislative authority over "Indians" to the Parliament of Canada. The scope of "lands reserved for the Indians" does not attract the same degree of attention for several reasons. One is that the leading cases, including a line of Privy Council decisions commencing with the St. Catherine's Milling case, were concerned not with legislative or regulatory power but with proprietary rights. In the last mentioned case the Privy Council pointed out that legislative authority over Indian bands did not carry with it a beneficial interest in those lands. The Indian title, described as "a personal and usufructuary right, dependent upon the goodwill of the Sovereign",[4] formed a burden on the underlying title of the Crown. After Confederation, the underlying title became that of the Crown in right of the province by virtue of Section 109 of the British North America Act. Surrender of the Indian title simply operated to disencumber the provinces' estate of the Indian title. The result of the St. Catherine's case, and the decisions which followed upon it, was, therefore, reasonably clear, if somewhat novel in law. Since the Royal Proclamation of 1763, it had been consistent policy to permit the Indians to alienate their interest in lands only through a surrender to the Crown.[1] After Confederation the situation was that the Indian title constituted a burden on the title of lands held by the province; however, it appeared that only the Crown in right of Canada was competent to take a surrender of the lands from the Indians. In short, the terms of surrender had to be negotiated with the officials of the federal government, while the surrender operated to perfect the title of the province to the lands surrendered. Accordingly, the sale, lease or other disposition of reserve lands required the co-operation of both levels of government.

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[1] (1889) 14 A.C. 46, at p. 59 (Underlining added).

[2] (1965) 50 D L.R. (2d) 613. Norris, J.A., held that the proclamation did (and does) apply to British Columbia. The two other judges constituting the majority did not advert to the point; the two dissenting judges held that the proclamation did not apply. The decision of the majority was affirmed by the Supreme Court of Canada without reference to the point: 52 D.L.R. (2d) 481.

[3] Fourteen agreements or treaties were concluded with the Indians of Southern Vancouver Island between 1850 and 1854, one of which was considered in the White and Bob case. Also, Treaty No. 8, concluded in 1899, extends to the northeastern part of the province, as well as parts of Alberta, Saskatchewan and the Northwest Territories.

[4] In A.-G. for Quebec v. A.-G. for Canada (the Star Chrome case) [1921] 1 A.C. 401, Duff, J., giving the reasons for the Privy Council, observed that it is "a personal right in the sense that it is in its nature inalienable except by surrender to the Crown" (at p. 408).

Lord Loreburn, L.C., speaking for the Privy Council in another case, used the following language:

> The Crown acts on the advice of ministers in making treaties, and in owning public lands holds them for the good of the community. When differences arise between the two governments in regard to what is due to the Crown as maker of treaties from the Crown as owner of public lands, they must be adjusted as though the two governments were separately invested by the Crown with its rights and responsibilities as treaty maker and as owner respectively.[2]

This result was administratively awkward. Moreover, in the first decades after Confederation, the federal government, proceeding under the misapprehension that Section 91(24) of the British North America Act conferred proprietary rights as well as legislative authority to regulate lands reserved for the Indians, had purported to make grants of surrendered reserve lands and the title of such grantees, and their successors in title, was clearly open to attack. To perfect the titles of those who took under the earlier grants, and to facilitate future alienations of surrendered reserve lands, Canada has since concluded agreements with most of the provinces concerning past and future dispositions of Indian reserve lands.[3]

If proprietary rights to Indian lands do not lie with Canada, the question remains as to what legislative authority accrues to parliament in respect of "lands reserved for the Indians". As noted above, the problem has not attracted much judicial comment, and this perhaps is indicative of the comparatively straightforward nature of the problem. In The King v. Lady McMaster, it was stated that the words comprehended "the control, direction and management of lands reserved for Indians".[4] A question which could cause difficulty in a particular case, however, but which has not yet been isolated for discussion by the courts, may arise in a case in which it becomes necessary to characterize an impugned statute as relating *either* to "Indians" *or* to "lands reserved for the Indians". A choice between these two possibilities may be required, for example, for the purposes of Section 87 of the Indian Act. The effect of Section 87 is to make certain laws in force in the province "applicable to and in respect of *Indians* in the province"; the section does not make such laws applicable to Indian lands or reserves.[1] It is therefore arguable, for instance, that the Indian right to hunt and fish is an incident of the "usufructuary" Indian title recognized in the *St. Catherine's* case and subsequent decisions. The contention would be that the Indian right to take game and fish is in the nature of an interest in land and that legislation in connection with that right, therefore, relates to "lands reserved for the Indians". If the argument were accepted, it would seem to follow that Section 87 could not operate so as to bring provincial laws into play. With respect to the particular example used, it should be noted that in the *White and Bob* case,[2] the appellate courts did apply Section 87 to a case concerning Indian hunting rights. No argument along the lines suggested above was addressed to the courts before which *White and Bob* was argued; nor has the question been canvassed in the judgments delivered in other Indian hunting cases. Whether or not a court may still consider the point open in a hunting case as having passed *per incuriam* in the *White and Bob* decision remains to be seen. The issue may, in any event, arise in another context.

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[1] Cf. Section 39(1) (a) of the present Indian Act, and note 4, supra., p. 213.

[2] Dominion of Canada v. Province of Ontario [1910] A.C. 637, at p. 645.

[3] British Columbia: Agreement of 1912 (McKenna-McBride Agreement); see also para. 13 of the Memorandum of Agreement scheduled to British North America Act, 1930, R.S.C. 1952, vol. 6, p. 6381, and the British Columbia Indian Reserves Mineral Resources Act, S.C. 1943-44, c. 19, and Memorandum of Agreement scheduled thereto. Prairie Provinces: Validating agreements were unnecessary since reserves had been set aside by Canada while Crown lands were still vested in Canada. In the Natural Resource Agreements, confirmed by the British North America Act, 1930, that situation was preserved with respect to existing reserves and provision was made for reserves which might thereafter be set aside by incorporating terms of the Ontario agreement of 1924 (see below). See Memoranda of Agreement scheduled to the British North America Act, 1930, R.S.C. 1952, vol. 6, pp. 6349-50 (Manitoba, paras. 11 and 12); 6361-62 (Alberta, paras. 10 and 11); 6371-72 (Saskatchewan, paras. 10 and 11). Ontario: See Memorandum of Agreement scheduled to S.C. 1924, c. 48. New Brunswick: see Memorandum of Agreement scheduled to S.C. 1959, c. 47. Nova Scotia: See Memorandum of Agreement scheduled to S.C. 1959, c. 50. In the absence of agreements with Quebec and Prince Edward Island the Privy Council decisions are still relevant in those provinces to the disposition of land on reserves established prior to Confederation.

[4] [1926] Ex. C.R. 68, at p. 75 (Maclean, J.).

It is proposed to consider next various respects in which the Indian is, or might be suggested to be, in a constitutionally unique position; that is to say, unique in the sense that the incidence of federal and/or provincial laws upon him is different than is the case for the non-Indian. It will be convenient to discuss federal and provincial laws under separate headings.

## A. Federal Legislative Competence

As a general proposition, it might be expected that the minimum effect of assigning legislative authority over Indians to parliament would be to enable the latter to effectively extend to Indians any legislation which parliament is competent to enact for non-Indians. Several qualifications, and suggested qualifications, upon the aforementioned proposition require discussion.

First, Section 91(24) of the British North America Act does not stand as the sole enactment pertinent to distribution of legislative authority over Indians in all provinces. Section 1 of the British North America Act, 1930, to which agreements with the four western provinces are scheduled, reads as follows:

> 1. The agreements set out in the Schedule to this Act are hereby confirmed and shall have the force of law *notwithstanding anything in the British North America Act, 1867, or any Act amending the same, or any Act of the Parliament of Canada*, or in any Order in Council or terms or conditions of union made or approved under any such Act as aforesaid.[3]

Overriding effect is thereby given to the clause numbered 13 in the Memorandum of Agreement with Manitoba[4] and numbered 12 in the Agreements with Alberta[5] and Saskatchewan,[6] and which provides that:

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[1] This point was taken in *Regina v. Johns* (1962), 39 W.W.R. 49, at p. 53 (Sask. C.A.).

[2] *Supra*, note 2, p. 213.

[3] R.S.C. 1952, vol. 6, p. 6344.

[4] *Ibid*., p. 6350.

[5] *Ibid*., p. 6362.

[6] *Ibid*., p. 6372.

> In order to secure to the Indians of the province the continuance of the supply of game and fish for their support and subsistence, Canada agrees that the laws respecting game in force in the province from time to time shall apply to the Indians within the boundaries thereof, provided, however, that the said Indians shall have the right, which the province hereby assures to them, of hunting, trapping and fishing game and fish for food at all seasons of the year on all unoccupied Crown lands and on any other lands to which the said Indians may have a right to access.

Most of the relevant post-1930 decisions in the Prairie Provinces have been ones in which provincial legislation has been tested against the above quoted clause. There could be no doubt, and the courts have so held, that provincial legislation in conflict with the guarantee embodied in that clause could not be applied to Indians -- and to the extent it purported to apply to Indians, must be ultra vires. The issue for the courts, therefore, went only to the extent of the immunity from general laws of the province afforded to Indians by that clause. The scope of exemption from general laws is discussed below in connection with provincial legislative competence, and the cases defining the limits of the guarantee will be applicable to federal laws if in fact federal laws are also subject to the guarantee. As against federal legislation, in other words, there remains the issue as to whether the same immunity exists. It will be noted that the clause speaks of the right "which the province hereby assures to them..." In R. v. Stronguill, Proctor, J.A., referring to paragraph 12 of the Saskatchewan Memorandum of Agreement, observed that:

> ... since the validation of par. 12 of the agreement, by the legislation enacted neither the government of the province, the government of the Dominion nor the Imperial Parliament itself can by legislation of one government alone alter or amend the rights conferred by the three governments jointly under par. 12 of the agreement on treaty Indians except as the right to do so is contained in that agreement and the validating legislation.[1]

There are two other decisions concerning charges laid against Indians under federal legislation. In Regina v. Watson,[2] the accused was acquitted of a charge under the Fisheries Act and regulations thereunder on the strength of the applicability of paragraph 12 of the Saskatchewan Agreement. In Regina v. Daniels the accused's conviction under the Migratory Birds Convention Act was quashed on appeal to the County Court, the decision turning on the corresponding paragraph of the Manitoba Agreement.[3] A further appeal was taken to the Manitoba Court of Appeal, where the majority (Freedman, J.A. dissenting) allowed the appeal and restored the conviction.[4] An appeal to the Supreme Court of Canada is now pending and it may, therefore, be expected that the point under consideration will be settled in the near future. If the appeal to the Supreme Court is allowed, the immediate result will be that the Migratory Birds Convention Act, which must now be taken to apply to Indians elsewhere in Canada,[5] does not extend to the Indians of the Prairie Provinces. The wider result, of course, will be to subject all federal legislation (so far as it is sought to be enforced in the Prairie Provinces) to the test of compliance with the guarantee contained in the Natural Resource Agreements.

Second, while the Memorandum of Agreement with British Columbia scheduled to the British North America Act, 1930 contains no clause corresponding to that which appears as paragraph 12 of the Alberta and Saskatchewan

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[1] (1953) 8 W.W.R. (N.S.) 247, at p. 263.

[2] (1958), a decision of L.F. Bence, Provincial Magistrate, unreported.

[3] (1965), County Court of The Pas, unreported.

[4] (1966), 56 W.W.R. 234 (Man. C.A.)

[5] R. v. Sikyea [1964] S.C.R. 642, and R. v. George [1966] S.C.R. 267; 55 D.L.R. (2d) 386.

Agreements and as paragraph 13 of the Manitoba Agreement, there is another provision which should be mentioned in connection with the operation of federal legislation in British Columbia. The thirteenth article of the Terms of Union, pursuant to which that province entered Confederation, reads, in part, as follows:

> The charge of the Indians, and the trusteeship and management of the lands reserved for their use and benefit, shall be assumed by the Dominion Government, and a policy as liberal as that hitherto pursued by the British Columbia Government shall be continued by the Dominion Government after the Union.[1]

In the case of Geoffries v. Williams[2] an argument was raised that a federal enactment was ultra vires as evidencing a policy less liberal than that which had been pursued by British Columbia. The argument was rejected for both procedural and evidentiary reasons, the court holding inter alia that there was no evidence to indicate that Indians had been treated more generously by British Columbia prior to union. In the absence of other judicial consideration, the extent to which the above quoted article may be treated as fettering federal legislative power remains problematical.

Third, the Canadian Bill of Rights[3] provides that every law of Canada[4] which does not expressly state that it is to operate notwithstanding the said Bill of Rights shall "be so construed and applied so as not to abrogate, abridge or infringe or to authorize the abrogation, abridgment or infringement of any of the rights or freedoms" recognized and declared in the said Bill.[5] The relevant "right" for present purposes is that spelled out in Section 1(b) which reads as follows:

> 1. It is hereby recognized and declared that in Canada there have existed and shall continue to exist without discrimination by reason of race, national origin, colour, religion or sex, the following human rights and fundamental freedoms, namely, . . .
>
> (b) the right of the individual to equality before the law and the protection of the law;

The construction of these provisions immediately raises two distinct problems or sets of problems. The first, which transcends the immediate problem at hand and goes to the effect of the whole Bill of Rights, is this: where a "law of Canada" cannot be sensibly construed and applied in a way that will avoid derogating from a right or freedom declared in the Bill -- i.e. where there is a material conflict between the law in question and the Bill -- which enactment is to prevail, the law or the Bill? The second has to do, in the present context, with what constitutes "discrimination by reason of race" which can be said to deny "equality before the law".

The leading case is Regina v. Gonzales,[6] in the British Columbia Court of Appeal, where both problems received consideration. The accused Indian was convicted of having liquor off a reserve contrary to Section 94(a) of the Indian Act. The appeal, taken on the ground of infringement of Section 1(b) of the Canadian Bill of Rights, was dismissed in a unanimous decision. Of the three judges sitting, Davey, J.A., was the only one to consider the effect of a material conflict between the provisions of the Bill of Rights and the provisions of the Indian Act. (For purposes of his judgment the learned judge assumed, without deciding, that Section 94 of the Indian Act did violate the right of the individual to "equality before the law, and the protection of the law".) He held that a direct conflict between the Bill of Rights and a specific enactment such as the Indian Act must be resolved in favour of the latter. The effect of the Bill of Rights was simply to supply a canon or rule of construction; where the specific enactment was unambiguous and could not be construed so as to avoid abrogating a right declared in the Bill of Rights, then the effect of the latter was exhausted. There has been some variety of opinion expressed on this point in the lower courts. It must be noted, however, that in the only opinion on the matter so far expressed in the Supreme Court of Canada, Cartwright, J., has expressly disagreed with the conclusion reached by Davey, J.A. in the Gonzales case. Cartwright, J., stated that in the event of irreconcilable conflict between another Act of Parliament and the Canadian Bill of Rights, the latter must prevail.[1]

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[1] R.S.B.C. 1960, vol. 5, p. 5227.

[2] (1959) 16 D.L.R. (2d) 157 (B.C., Co. Ct.).

[3] S.C. 1960, c. 44.

[4] Defined in s. 5(2) to include every Act of Parliament, whether passed before or after the Bill of Rights, and any other law subject to repeal or amendment by the Parliament of Canada.

[5] Section 2.

[6] (1962), 32 D.L.R. (2d) 290.

In the Gonzales case, the reasons of Tysoe, J.A. (with whom Bird, J.A. concurred) adopted the alternative approach, taking the position that Section 94(a) of the Indian Act did not violate Section 1(b) of the Bill of Rights. Tysoe, J.A., gave several reasons for his conclusion. The learned judge referred to the practical impossibility of having laws the same for everyone "regardless of such matters as age, ability and characteristics"; but this observation appears to give insufficient weight to the fact that Section 1 of the Bill of Rights does not purport to rule out discrimination generally but only discrimination on any of five specified grounds: viz. (1) race, (2) national origin, (3) colour, (4) religion and (5) sex. In another passage Tysoe, J.A., stated that in its context, Section 1(b) of the Bill means in a general sense:

> . . . that there has existed and shall continue to exist in Canada a right in every person to whom a particular law relates or extends . . . to stand on an equal footing with every other person to whom that particular law relates or extends, and a right to the protection of the law. To exemplify: There shall exist in every such person a right to be subject, for instance, to the same processes of law and the same presumptions, evidential and otherwise . . . and to have the same rights to claim and defend as every other such person, and there shall be no discrimination in these respects in favour or against any such person because of race, national origin, colour, religion or sex.[2]

The meaning given to Section 1(b) of the Bill in the foregoing passage, while confining discrimination in the material sense to those grounds listed in Section 1, appears to restrict the operation of the Bill to procedural discrimination. If the views of Tysoe, J.A. are vindicated by the later course of decision, it is difficult to envisage the Bill of Rights prevailing against the substantive provisions of any other federal enactment, regardless of the degree of, or rationale for, discrimination on any ground in such other enactment. An alternative approach might involve distinguishing between those provisions which discriminate in favour of a class (privileges) as opposed to those which can be said to discriminate to the disadvantage of that class (disabilities). Some such distinction might well result in the latter type of discriminatory provision being struck down by virtue of the Bill of Rights, whereas the former would be preserved.

While the Gonzales case must, for the present, be regarded as the leading decision, passing reference might be made to the decisions in lower courts.

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[1] Robertson and Rosetanni v. The Queen [1963] S.C.R. 651, at p. 662; 41 D.L.R. (2d) 485, at p. 489.

[2] 32 D.L.R. (2d) 290, at p. 296. The emphasis is that of Tysoe, J.A.

In Attorney-General of British Columbia v. McDonald,[1] a county court decision which preceded the Gonzales case, the same result was reached on a charge brought under the same section of the Indian Act. On the other hand, in Richards v. Cote,[2] a Saskatchewan District Court Judge distinguished the Gonzales decision and held that Section 94(b) of the Indian Act (being intoxicated off a reserve) was in conflict with, and must yield to, Section 1(b) of the Bill of Rights. Again, in a line of decisions in the Territorial Court,[3] Sissons, J., has held that special rights, freedoms and customs of Eskimos are protected by the terms of the Canadian Bill of Rights. To the extent that the latter cases are concerned with what might (it has been suggested) be termed "privileges" as opposed to "disabilities", it is questionable whether the reasoning of the learned judge will attract support in future cases.[4]

Fourth, a question arises as to the significance of the existence of a treaty purporting to grant, or to guarantee, a particular "right" to Indians, or to a group of Indians. To what extent, if at all, are the terms of such treaty relevant to the issue of parliament's legislative authority? For purposes of discussion, a distinction may be drawn between international treaties on the one hand and treaties made with the Indians on the other.

The decision of the Supreme Court of Canada in Francis v. The Queen[5] is the governing authority as regards a treaty in the sense of an agreement recognized in international law, not made with the Indians but touching Indian rights. By Article III of the Jay Treaty of 1794, an Imperial Treaty entered into with the United States, Indians were to be exempt from payment of duties on certain goods in the following terms:

> No Duty on Entry shall ever be levied by either party on peltries brought by land, or inland navigation into the said territories respectively, nor shall the Indians passing or repassing with their own proper goods and effects of whatever nature, pay for the same any impost or duty whatever. But goods in bales or other large packages unusual among Indians shall not be considered as goods belonging bona fide to Indians.

The Supreme Court unanimously held that the treaty could not be set up as a defence to exempt an Indian from the duties imposed by the general provisions of the Customs Act. The court held that a treaty does not change municipal law unless and until confirmatory legislation has been enacted, and no such legislation implementing the treaty had been passed. The latter proposition could not be disputed; nor on the authorities, could issue be taken with the further proposition that where there is a clear conflict between an international treaty and a statute, the courts are bound to apply the latter as against the former, the last mentioned principle being a corollary of the doctrine of supremacy of parliament. What is less clear is that the court paid sufficient attention to a related principle of statutory construction. While in a case of clear conflict, the statute must be held to override the treaty, it is familiar law that in construing a statute which is ambiguous or capable of two interpretations, that interpretation ought to be favoured which will not involve a breach of treaty provisions. To state it another way, a statute will be construed so as not to violate a treaty unless the statute expressly or by necessary implication discloses that parliament intended to do so. The legislation in question in the *Francis* case did not expressly require breach of the Jay Treaty for nowhere in the legislation were Indians referred to. As to necessary implication, it was at least arguable that the tax levied on all "persons" meant, in view of the treaty, that the term "persons" was to be construed as meaning all non-Indians. The point was not set apart for discussion in these terms in the reasons delivered in the *Francis* case; but it is, of course, too late to question the result in the *Francis* case as a matter of law. The present position is that Canadian Indians cannot claim the benefit of the customs duty exemption in the Jay Treaty. They have not found that result made easier to accept by the fact that the United States apparently takes a different view, the Indians of that country being granted Jay Treaty privileges.

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[1] (1961), 131 C.C.C. 126 (B.C.).

[2] (1962), 40 W.W.R. 340.

[3] Re Noah Estate (1961), 36 W.W.R. 577, at p. 601; Re Katie's Adoption Petition (1961), 38 W.W.R. 100, at p. 101; R. v. Koonungnak (1963), 45 W.W.R. 282, at p. 305.

[4] Thus in R. v. Sikyea [1964] S.C.R. 642, federal legislation was held to have validly abrogated a hunting right guaranteed to the accused Indians by treaty. The Canadian Bill of Rights was not discussed in the appellate courts, although Sissons, J., had made reference to it in the Territorial Court: (1962) 40 W.W.R. 494, at p. 503.

[5] [1956] S.C.R. 618.

A further point touched upon in the *Francis* case concerned Section 87 of the Indian Act. The section reads as follows:

> 87. *Subject to the terms of any treaty* and any other Act of the Parliament of Canada, *all laws of general application from time to time in force in any province are applicable to, and in respect of Indians in the province*, except to the extent that such laws are inconsistent with this Act or any order, rule, regulation or by-law made thereunder, and except to the extent that such laws make provision for any matter for which provision is made by or under this Act.

With reference to the words of the section to which emphasis has been added above, the contention is that the "laws" referred to in the section are *subject to* the terms of any "treaty" in the sense that where the terms of a statute conflict with the terms of a treaty, the former must yield to the latter. *In Francis v. The Queen* only two of the seven judges sitting in the Supreme Court made reference to this line of argument. Kellock, J., (speaking for himself and Abbott, J.) stated:

> I think it is quite clear that 'treaty' in this section does not extend to an international treaty such as the Jay Treaty but only to treaties with Indians which are mentioned throughout the statute.[1]

No further reasons or authority were cited for this conclusion. Keeping in mind that the *Francis* case held, in effect, that the Parliament of Canada had legislated so as to violate the Jay Treaty, and that that conclusion might have been avoided by a broader construction of the words "any treaty" in Section 87,[2] it is somewhat surprising that the latter point did not attract more extended consideration in the Supreme Court.

The above passage left open the question as to the relevance of Section 87 in a case of conflict between a federal statute and a treaty which *was* a treaty within the meaning of Section 87 -- i.e. a treaty entered into with the Indians. The problem of construction is this. The section refers to "all laws . . . in force in any province" and the words quoted may be construed in more than one way. The words would certainly include "all[provincial]laws" in the sense of enactments of the provincial legislature since entry of the province into Confederation. Secondly, they may include a "provincial" law in the sense of a law in force, for example, in the colony of British Columbia, and continued in force after entry into Confederation, even though the British North America Act has vested legislative competence in the matter in the Parliament of Canada -- i.e. a "provincial" law in a limited sense only in that it cannot be amended or repealed by the provincial legislature. Thirdly, and most directly pertinent to the question now under consideration, the words "all laws . . . in force in any province" are capable of being read so as to include *federal* laws in force in the province.

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[1] *Ibid*., at p. 631.

[2] It would, at least, have required consideration of whether or not the words "all laws" in Section 87 embraced federal laws (on which point, see below). That question was not adverted to in the *Francis* case.

Since Section 87 was added to the Indian Act in 1951, there have been several cases in which the provisions of an Indian treaty have been set up in defence to a charge laid under a federal statute. In Regina v. Simon,[1] where the accused was convicted under the Fisheries Act,[2] the Appellate Division of the New Brunswick Supreme Court found it unnecessary to deal with the defence based on Section 87, holding that the accused had failed to establish his connection with the original groups of Indians with which the two treaties he relied on had been made. In Sikyea v. The Queen[3] the accused was a treaty Indian charged with shooting a wild duck out of season contrary to regulations passed pursuant to the Migratory Birds Convention Act.[4] His defence was that under the terms of the treaty which applied to him,[5] he was entitled to hunt for food at any time of the year notwithstanding regulations or legislation to the contrary. The Act could not readily be construed otherwise than as intended to apply to Indians as well as non-Indians; the Migratory Birds Convention, scheduled to the Act, made express provision for the kind of birds Indians could take for food, and the necessary implication was that Indians were caught by the other terms of the Convention and, therefore, of the Act. Further, the courts accepted the contention that the Act was in conflict with the terms of the treaty of which Sikyea invoked the protection. Thus Johnson, J.A., delivering the reasons of the Northwest Territories Court of Appeal (and with whose reasons, as well as conclusions, the Supreme Court of Canada expressly agreed[6]) stated:

> It is, I think, clear that the rights given to the Indians by their treaties as they apply to migratory birds have been taken away by this Act and its regulations. How are we to explain this apparent breach of faith on the part of the government, for I cannot think it can be described in any other terms? This cannot be described as a minor or insignificant curtailment of these treaty rights, for game birds have always been a most plentiful, a most reliable and a readily obtainable food in large areas of Canada. I cannot believe that the Government of Canada realized that in implementing the Convention they were at the same time breaching the treaties that they had made with the Indians. It is much more likely that these obligations under the treaties were overlooked -- a case of the left hand having forgotten what the right hand had done.

The appellate courts took the view that the statute overrode the terms of the treaty. Curiously enough, however, no reference was made to Section 87 either in the decision of the Northwest Territories Court of Appeal or in that of the Supreme Court of Canada.

The question of whether Section 87 of the Indian Act renders federal as well as provincial statutes "subject to" an Indian treaty has been settled by the recent decision of the Supreme Court of Canada in Regina v. George.[7] The facts were substantially the same as in the Sikyea case, the accused being a treaty Indian charged under the same statute as was Sikyea. In the George case, however, Section 87 was argued and both McRuer, C.J.H.C., and the Ontario Court of Appeal held that he was entitled to an acquittal on the ground that the terms of Section 87 required the federal statute to yield to the terms of the relevant treaty. (The Ontario courts did not have the appellate court decisions in Sikyea before them.) The Supreme Court of Canada has now reversed the Ontario courts and entered a conviction. The majority (Cartwright, J., dissenting[1]) held that the reference in Section 87 to "all laws . . . in force in any province" must be construed so as to exclude Acts of Parliament. Martland, J., giving the reasons of the court, stated:

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[1] (1958), 124 C.C.C. 110.

[2] R.S.C. 1952, c. 119.

[3] [1964] S.C.R. 642; 50 D.L.R. (2d) 80 (S.C.C.); 43 D.L.R. (2d) 150 (N.W.T.C.A.); 40 W.W.R. 494 (Terr. Ct.).

[4] R.S.C. 1952, c. 179.

[5] Treaty No. 11.

[6] At [1964] S.C.R. 646; 50 D.L.R. (2d) 84.

[7] [1966] S.C.R. 267; 55 D.L.R. (2d) 386. For the decisions in the lower courts, see 45 D.L.R. (2d) 709 (Ont. C.A.) and 41 D.L.R. (2d) 31 (McRuer, C.J.H.C.).

> In my view the expression refers only to those rules of law in a province which are provincial in scope, and would include provincial legislation and any laws which were made a part of the law of a province, as, for example, in the provinces of Alberta and Saskatchewan, the laws of England as they existed on July 15, 1870.

The passage suggests that while Acts of Parliament are excluded from the purview of the expression, all pre-Confederation Laws of the province (whether subject to repeal or amendment by the province or by parliament) are caught by it, and accordingly made "subject to the terms of any treaty".

Fifth, a further point arising out of Section 87 of the Indian Act requires attention. The section provides that with certain exceptions "all laws of general application from time to time in force in any province are applicable to and in respect of Indians in the province". To the extent that such provision makes provincial laws applicable to Indians which, for constitutional reasons, would otherwise not be applicable to them, the effectiveness of the section will be affected by any limiting rules which may circumscribe adoption by reference under the Canadian constitution. The problem arises in connection with the judicially developed ban on delegation of legislative authority as between parliament and a provincial legislature, reaffirmed by the Supreme Court of Canada in Attorney-General of Nova Scotia v. Attorney-General of Canada.[2] There is no problem where parliament legislates so as to adopt referentially existing legislation of a province (or vice versa). The difficulty arises where the federal statute purports to be adoptive of (or is sought to be construed so as to be adoptive of) the future enactments of a province. The possibility that such anticipatory adoption by reference might violate the prohibition against inter-delegation was recognized by the Ontario Court of Appeal in Regina v. Fialka[3] and appears to have prompted enactment of the Ontario Statutory References Act, 1955.[4] If adoption by reference of future enactments is in fact within the prohibition against delegation, it would follow that Section 87 of the Indian Act would not be effective to make provincial statutes enacted after 1951 applicable to Indians.

In a recent decision, however, the Ontario Court of Appeal in Regina v. Glibbery[5] concluded that a federal statute (the Government Property Traffic Act[6]) could properly adopt subsequently enacted provincial traffic laws without violating the ban on delegation. McGillivray, J.A., giving the judgment of the court, stated:

> It is obviously intended by these Regulations [under the federal act] to make applicable to proceedings under the

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[1] Cartwright, J., took the view, first, that the Court was not bound by its decision in the Sikyea case since the Section 87 argument had not there been argued, and, second, that properly construed the words "all laws" did comprehend Acts of Parliament.

[2] [1951] S.C.R. 31.

[3] [1953] 4 D.L.R. 440.

[4] S.O. 1955, c.80. And see B. Laskin, Canadian Constitutional Law, 3rd ed., (Toronto, 1966), p. 41, where section 1 of the Act is set out, and the point under consideration is discussed.

[5] (1963), 36 D.L.R. (2d) 548; [1963] 1 O.R. 232.

[6] R.S.C. 1952, c. 324.

> Government Property Traffic Act those portions of the Highway Traffic Act as they exist from time to time which do not conflict with the Regulations themselves. To do so is not, in my opinion, delegations of the type to which objection can be taken. There is not here any delegation by parliament to a province of legislative power vested in the dominion alone by the British North America Act and of a kind not vested by the Act in a province. Delegation by parliament of any such power would be clearly unconstitutional: A.-G. N.S. et al. v. A.-G. Can.,[1950] 4 D.L.R. 369,[1951] S.C.R. 31. The power here sought to be delegated was not of such a type but was in relation to a matter in which the province was independently competent.[1]

Nowhere in the reasons is reference made to Regina v. Fialka[2] which, it will be remembered, was in the same court. Nor did the court embark on an attempt to distinguish, in principle, between an unconstitutional delegation of legislative authority from parliament to a provincial legislature, on the one hand and, on the other, parliament's effective anticipatory adoption of such enactments as that legislature might see fit to pass in relation to the same matter.[3] On the other hand, the result in the Glibbery case accords with the apparent inclination of the Supreme Court, ever since the Nova Scotia case[4] itself, to confine the prohibition against delegation to a narrow compass.[5]

Sixth, and finally, reference might be made to the suggestion that has on occasion been raised to the effect that the Parliament of Canada itself, cannot, as a matter of constitutional law, derogate from rights conferred on the Indians by the Royal Proclamation of 1763. In the course of his reasons in R. v. George, McRuer, C.J.H.C., observed that the Proclamation had at least all the force of statute and went on to state:

> I think this case[Sammut v. Strickland[6]] leaves it open to argue that since there was no reservation of a power of revocation of the rights given to the Indians in the Proclamation of 1763, these rights cannot be taken away even by legislation . . . I wish to make it quite clear that I am not called upon to decide, nor do I decide, whether the Parliament of Canada by legislation specifically applicable to Indians could take away their rights to hunt for food on the Kettle Point Reserve. There is much to support an argument that parliament does not have such a power. There may be cases where such legislation, properly framed, might be considered necessary in the public interest but a very strong case would have to be made out that would not be a breach of our national honour.[7]

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[1] Supra, note 5, p.222, at D.L.R. 552, O.R. 236.

[2] Supra, note 3, p.222.

[3] McGillivray, J.A., referred to A.-G. for Ontario v. Scott[1956] S.C.R. 137, but that case did not deal with adoption (or delegation) as between a provincial legislature and parliament. It was concerned with a province's adoption of English legislation -- which did not raise the constitutional objection to re-arrangement of legislative authority as distributed by the British North America Act.

[4] Supra, note 2, p. 222.

[5] P.E.I. Potato Marketing Board v. Willis [1952] 2 S.C.R. 392; Lord's Day Alliance of Canada v. A.-G. of B.C. [1959] S.C.R. 497.

[6] [1938] A.C. 678 (P.C.).

[7] 41 D.L.R. (2d) 31, at pp. 36-37. (Emphasis supplied.)

It is unclear precisely what support Chief Justice McRuer was referring to in the underlined sentence above. To the extent he relied on the Royal Proclamation, it will suffice to note that on appeal in the George case, the Court of Appeal expressly rejected any suggestion as to the Proclamation forming a limitation on the legislative competence of parliament.[1] The point was not discussed in the reasons of the Supreme Court of Canada and the result reached in that court, of course, negatives any argument based on the Royal Proclamation as a limitation on federal legislative competence.

## B. Provincial Legislative Competence

Three general propositions might be stated by way of introduction to the question of provincial legislative competence. First, the allocation of legislative authority over Indians to the Parliament of Canada would be expected to preclude provincial legislation dealing with Indians *qua* Indians. The second and complementary proposition is that provincial laws of general application -- that is, those which do not single out Indians for special treatment but apply generally to residents of the province -- would be expected to apply to Indians in the same way as general provincial laws apply to other classes of persons over whom legislative authority is assigned to parliament, viz. aliens, federal companies, and, what are to some extent analogous, works and undertakings within the jurisdiction of parliament by virtue of the exceptions to Section 92(10) of the British North America Act. Third, provincial laws which would be applicable to Indians if the legislative field were clear might nevertheless be ousted by federal "Indian" legislation. The last proposition is, of course, an application of the so-called paramountcy (or overlapping) doctrine, of which the classic statement is as follows:

> There can be a domain in which provincial and dominion legislation may overlap, in which case neither legislation will be ultra vires if the field is clear, but if the field is not clear and the two legislations meet the dominion legislation must prevail.[2]

For provincial legislation there is, therefore, a double test. The first question is whether the subject matter, if not exclusively in the provincial sphere, at least has a provincial aspect so as to provide constitutional support for application of the law to Indians if the field is clear. If the first question can be answered in the affirmative, and if the subject matter is one which also possesses a federal aspect, the second problem is whether there is federal legislation occupying the field; for such federal legislation will, to the extent it conflicts with a provincial enactment, render the latter inoperative.

It should be noted at once that the first and second propositions stated in the previous paragraph are no more than starting points in the constitutional analysis. A provincial statute which selects Indians for special treatment is not necessarily *ultra vires*; nor is a provincial law of general application necessarily valid and applicable to Indians of the province. Here some assistance can be drawn from the lines of cases concerning the position of other classes of persons within federal legislative authority. As to validity of a provincial law which is not of general application, reference might be made to the decision of the Privy Council in *Cunningham v. Tomey Homma*.[3] In that case a naturalized British subject of Japanese origin, who was a "Japanese" as defined in the Provincial Elections Act of British Columbia, tested the validity of a provision in the Act which stipulated that:

> No Chinaman, Japanese, or Indian shall have his name placed on the register of voters for any electoral district, or be entitled to vote at any election.

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[1] 45 D.L.R. (2d) 709, at pp. 711-712.

[2] *Attorney-General for Canada v. Attorney-General for British Columbia* [1930] A.C. 111, at p. 118.

[3] [1903] A.C. 151.

It was held that Section 91(25) of the British North America Act, which assigned to the Parliament of Canada authority over "naturalization and aliens", did not prevent the province from denying the franchise to aliens or naturalized subjects. From the reasons given by the Privy Council, it would seem probable that an Indian attacking the provincial act, and relying on Section 91(24) of the British North America Act, would have been equally unsuccessful. Provincial legislation supported under Section 92(1) of the British North America Act (which gives the province power to amend the constitution of the province, notwithstanding anything in the British North America Act) was, therefore, upheld, though it discriminated against a class of person over whom legislative authority lay with parliament. Discrimination against such a class of person which is of different kind or degree may indeed be ultra vires the province (see Union Colliery v. Bryden,[1] as explained and distinguished in the Tomey Homma case and in Brooks-Bidlake and Whittal Ltd. v. A.-G. for British Columbia[2]). The present point is simply that while assignment of legislative authority to parliament over a class of persons carries, at a minimum, the power to define the status of such persons, it does not per se exclude all provincial legislation purporting to attach consequences to that status.

If a provincial law of special application aimed at a class of persons within federal jurisdiction is not necessarily ultra vires, it is also true that a provincial law of general application is not necessarily valid and applicable as against such class of persons. Thus in Attorney-General for Manitoba v. Attorney-General for Canada[3] the Privy Council held that Manitoba legislation which required any company, wherever incorporated, to obtain approval of provincial officials prior to selling its shares in the province, was ultra vires in so far as the legislation purported to apply to sale of its own shares by a federally incorporated company. With respect to the point under consideration, Viscount Sumner stated:

> Neither is the legislation which is in question saved by the fact that all kinds of companies are aimed at and that there is no special discrimination against dominion companies. The matter depends upon the effect of the legislation not upon its purpose . . . Their Lordships . . . refrain from resting their decision upon any other feature in the acts under discussion than the interference with the status of a company incorporated under dominion laws. . . .[4]

The question of whether a provincial enactment is or is not a law of general application, therefore, will not of itself be determinative of the validity (or applicability) of that enactment as against a class of persons within the legislative sphere of parliament. It is, however, relevant. The fact that a provincial statute is not of general application but selective of a certain class or classes of persons, may support an inference that the true nature and character of the legislation relates to those persons, and not to the activity or conduct which the statute prescribes for those persons.

In another case involving a federal company, Harvey, C.J.A., put it in the following terms:

> If the legislature is supreme there can be no jurisdiction in the courts to hold its legislation invalid on the ground that it is not uniform or is not general in its application. Therefore, where we find statements in these judgments that the provincial legislation would be upheld if applied to all companies alike, implying that otherwise it could not be upheld, I think what is meant is that if it is not so uniform the court would be justified in concluding that the legislature's

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[1] [1899] A.C. 580.

[2] [1923] A.C. 326.

[3] [1929] A.C. 260.

[4] Ibid., at pp. 268-69.

> real purpose was not to exercise an authority clearly given to it by Sec. 92 but that it had in reality some ulterior purpose for the carrying out of which it had no authority, and to determine whether that is the case the whole act and its scope must be considered.[1]

It will be useful at this juncture to return once again to Section 87 of the Indian Act. The section provides that subject to certain exceptions, "all laws of general application from time to time in force in any province are applicable to and in respect of Indians in the province". As noted earlier, to the extent that Section 87 operates to make applicable to Indians provincial laws which otherwise would not apply to them, that result is achieved through parliament's adoption by reference of a provincial law which the province could not itself extend or apply to Indians. The question arises, then, as to what are the provincial laws which are caught by Section 87 but which would not, apart from the section, have been applicable to Indians? The section, by its terms, excludes provincial laws which are not of general application; accordingly a provincial enactment imposing a special rule for Indians is outside the section.[2] On the other hand, Section 87 would seem to have at least one (albeit limited) effect. Reference was made above to authority for the proposition that a provincial law, even though of general application, would not apply to a federally incorporated company in certain circumstances, such as a provincial enactment which would have the effect of interfering with the status and capacity of the federal company. By analogy a particular provincial law of general application may be such as would be characterized as a law so affecting the essential status, capacities and activities of Indians as to be inapplicable to them (or ultra vires to the extent the provincial law purported to apply to Indians).[3] By the force of Section 87, presumably such law would now be made applicable to Indians. Subject to the exceptions expressed within it, the section embraces "all laws of general application". Reference might be made in this connection to judicial dicta in several cases pre-dating the enactment of Section 87 to the effect that an Indian, being a ward of the federal government, was not subject to attachment or to be imprisoned under civil process.[4] However, in Campbell v. Sandy[5] in 1956 the court was able to rely on Section 87 in distinguishing the earlier judicial pronouncements; accordingly an order was made for committal of the defendant Indian for default of attendance upon a judgment summons, pursuant to the provincial statute.

There is a second possible area of operation for Section 87 which requires discussion. It was suggested at the outset that the courts, prior to 1951 when Section 87 was put into the Indian Act, had on occasion treated the question of applicability of a provincial law to an Indian as turning on whether the Indian was, at the material time, on or off his reserve. It was suggested too that in such cases the courts appeared to be approaching the matter as if Section 91(24) of the British North America Act read "Indians on lands reserved for the Indians" instead of "Indians and lands reserved for the Indians". Some of the most frequently quoted dicta in fact occur in cases where an Indian was convicted under a provincial statute in respect of his conduct off the reserve, and the court, with appropriate judicial caution, took care to leave open for future decision the question of provincial enactments extending to Indians on the reserve. This was the situation, for example, in the decisions of the Ontario Court of Appeal in Rex. v. Hill[1] and Rex. v. Martin[2] where Indians were convicted respectively for practising medicine without compliance with the provincial Medical Act and for possession of liquor contrary to the provincial Temperance Act. Neither enactment can be said to bear any obvious relation to "lands reserved for the Indians" and it is not apparent why the result should have been different -- had the courts been required to decide the question -- if the accused Indian in either case had in fact been on the reserve at the material time.[3]

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[1] In re The Companies Act, 1929; In re Royalite Oil Co. Ltd. [1931] 1 W.W.R. 484 at p. 498. See also the extended discussion of laws of general application in B.C. Power Ltd. v. A.-G. of B.C. (1963) 44 W.W.R. 65, at p. 113 ff.

[2] R. v. Strongquill (1953) 8 W.W.R. 247, per Procter, J.A., at p. 265, and McNiven, J.A., at p. 271.

[3] Cf. Union Colliery v. Bryden, supra, note 1, p. 225.

[4] Re Caledonia Milling Co. v. Johns (1918) 42 O.L.R. 338; Ex parte Tenasse [1931] 1 D.L.R. 806; Re Kane [1940] 1 D.L.R. 390. And cf. Laskin, op. cit., note 4, p. 222, p. 55, where the comment is made that: "the Indian as a person is not subject to attachment nor may he be taken under provincial process (any more than can an interprovincial pipe line)." No reference, however, is made to Campbell v. Sandy, infra.

[5] 4 D.L.R. (2d) 754 (Ont., Co. Ct.).

On occasion a suggestion has even been raised that provincial laws could not, under any circumstances, extend to a reserve. In Rex. v. Rodgers,[4] where a provincial game enactment was in question, all members of the Manitoba Court of Appeal were in agreement that the provincial legislature lacked legislative competence to interfere with the rights of Indians to hunt or trap on their own reserves but that correspondingly, an Indian (and albeit a treaty Indian) on leaving the reserve comes under the control of provincial laws to the same extent that a non-Indian is subject to such laws.[5] Prendergast, J.A., stated:

> Provincial statutes, even of general application, do not as a rule expressly state the territory to which they are meant to apply. They are generally worded as if they applied to all the territory comprised within the boundaries of the province. But everyone understands that they cannot apply to regions in the province (if any) over which the legislature has no jurisdiction in the particular matter, and that, however broad the terms, these regions were meant to be excepted.[6]

This view expressed by the learned judge amounts to a form of territorial theory that would entirely exclude provincial laws from the reserve. If pursued, this approach would logically require exempting non-Indians, as well as Indians, from provincial laws so long as the person in question was within the privileged confines of the reserve at the material time. Precisely this defence was set up by non-Indians in two closely similar British Columbia cases: R. v. McLeod[7] and R. v. Morley.[8] In each case a non-Indian was charged under the provincial Game Act for shooting pheasant out of season. In each case the defence that provincial legislation had no application on a reserve was rejected and a conviction entered. At a minimum, therefore, what has been referred to above as the "territorial" theory required qualification at least in respect of applicability of provincial laws to non-Indians on reserves.

Examples could be multiplied of the importance placed on the question of whether the Indian to whom a provincial enactment was sought to be applied was on or off the reserve at the material time.[9] However, Section 87 of the

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[1] (1908), 15 O.L.R. 406.

[2] (1917), 41 O.L.R. 79.

[3] Assuming, for purposes of this discussion, that the legislative field was clear of any federal enactment.

[4] [1923] 2 W.W.R. 353.

[5] The dissenting judge, Dennistoun, J.A., took the same approach but held that the material fact occurred off the reserve.

[6] Ibid., at p. 361.

[7] [1930] 2 W.W.R. 37 (Co. Ct.).

[8] (1931), 46 B.C.R. 28 (B.C.C.A.).

[9] See, particularly, R. v. Jim (1915) 22 B.C.R. 106, as applied in R. v. Hill (1951) 101 C.C.C. 343.

Indian Act has, since 1951, made the point to a large extent academic. That section makes all (provincial) laws of general application applicable "to and in respect of Indians in the province". There is no distinction drawn between those Indians who are on a reserve and those who are not. As noted earlier in this chapter, it was suggested that there are two classes of provincial laws of general application: those which apply to Indians because of Section 87 and those which would apply in the absence of the section. The former category, of course, become federal laws which have been adopted by reference. With respect to the latter, Section 87 is essentially declaratory and the laws apply as provincial laws. The latter category, it is suggested, is by far the larger of the two. This interpretation, which is adopted throughout the remainder of this Report, is, of course, ultimately subject to the findings of the courts. Assuming the validity of the distinction made above, it is possible that a court may yet have to decide in a particular case whether a rule of substantive law applies to a reserve Indian as a provincial law or as a federal law which has adopted the provisions of a provincial law.[1]

To this point, Section 87 of the Indian Act has been discussed in terms of the extent to which it operates to make provincial laws applicable to Indians which laws, apart from the section, would be inapplicable to them. The other side of the coin, to which attention will now be directed, involves consideration of the extent to which the section renders provincial laws inapplicable to Indians which otherwise might extend to such Indians. It will be convenient to set out Section 87 once again, with emphasis supplied to those words in the section which have an exclusionary effect:

> 87. *Subject to the terms of any treaty and any other act of the Parliament of Canada*, all laws of general application from time to time in force in any province are applicable to and in respect of Indians in the province, *except to the extent that such laws are inconsistent with this act or any order, rule, regulation or by-law made thereunder, and except to the extent that such laws make provision for any matter for which provision is made by or under this act.*

Provincial laws which meet the initial qualification of being laws "of general application", therefore, are made applicable to Indians:

(1) subject to the terms of any treaty;

(2) subject to the terms of any other Act of Parliament;

(3) except to the extent that such laws are inconsistent with the Indian Act or any order, rule, regulation or by-law made under the Indian Act; and

(4) except to the extent that such laws make provision for any matter for which provision is made by or under the Indian Act.

The first limitation set out in the previous paragraph is that the provincial law is "subject to the terms of any treaty". Thus in the recent case of *Regina v. White and Bob*,[2] which went to the Supreme Court of Canada, it was held that a conflict between a section of the provincial Game Act and the terms of a treaty made with Indians on Vancouver Island in 1854 must be resolved in favour of the treaty provision. By virtue of Section 87 of the Indian Act, that is to say, the terms of the Indian treaty constituted a valid defence to a charge of violating the provincial statute. (It may be noted that in the *White and Bob* case the hunting which gave rise to the charge occurred off the reserve.)

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[1] See the discussion *supra* of the question of adoption of future enactments as raising an issue of delegation. Whether or not the law is a "law of Canada" will also be relevant in a case where the Canadian Bill of Rights is invoked.

[2] (1965) 52 W.W.R. 193, 50 D.L.R. (2d) 613 (B.C.C.A.); aff'd. 52 D.L.R. (2d) 481.

Again, as noted earlier, the word "treaty" in Section 87 does not have reference to international treaties,[1] or instruments equivalent to international treaties, but to treaties made with the Indians. The point requires mention in view particularly of some of the observations made in the case of R. v. Syliboy,[2] which was decided a number of years before Section 87 was added to the Indian Act. There the court held that an instrument concluded, in 1752, between Governor Hopson of Nova Scotia and a tribe of Mic Mac Indians ("Treaty and Articles of Peace and Friendship") was not a treaty in any relevant sense. The judge's approach was, essentially, to measure the instrument, and the circumstances in which it was signed, against the requirements for creation of a treaty that would be recognized in international law. Since 1951, such an inquiry becomes unnecessary, the sole question being whether the instrument brought forward is a "treaty" within the meaning of Section 87 of the Indian Act. In the White and Bob case the courts appear to have taken a very liberal view of what constitutes a "treaty" in the sense which is now material, the document in that case being informal in nature and, further, it being unclear whether Governor Douglas signed the instrument in his capacity as Governor or in his capacity as factor of the Hudson's Bay Company. It is not unlikely, therefore, that instruments such as that considered in the Syliboy case may now be found to be treaties in the material sense -- i.e. for purposes of Section 87.

The second limitation or condition on adoption of a provincial law which is expressed in Section 87 is that it is subject to any other Act of Parliament. No further discussion of this point would seem to be called for. Where there is conflict between the terms of an Act of Parliament and a provincial law, the former must prevail.

The third and fourth conditions may be discussed together. A provincial law will be inapplicable (a) where it is "inconsistent with" the Indian Act (or any order, rule, regulation or by-law made under the Indian Act) or (b) where it "make(s) provision for" any matter for which provision is made by the Indian Act (or under the Indian Act).[3] It may be noted first that inconsistency with a "by-law" must be taken to refer to a by-law made by an Indian band council pursuant to Section 80 of the Indian Act.[4] It may be, too, that provision under such a by-law is a "provision . . . made . . . under this Act" so that the provision in the by-law takes precedence over the provincial law which would otherwise be made applicable. The noteworthy point is that in the first case, and possibly in the second, the provincial law must yield to the provisions of a band by-law.

There is little authority on the scope of the exception clauses now under consideration. In Re Williams Estate[5] one of the questions to be determined was whether a section of the provincial Administration Act applied to the estate of an Indian who died intestate. The section provided that:

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[1] Supra, note 1, p. 220, and accompanying text.

[2] (1928) 50 C.C.C. 389 (N.S., Co. Ct.).

[3] Presumably the sections of the Indian Act authorizing the making of regulations, etc., in respect of certain matters do not in themselves support a conclusion that "provision is made by or under this Act" in respect of that matter. A substantive regulation would be required. The further question to be resolved is akin to that raised, but not directly met in Re Williams Estate, infra, namely, whether provision for one aspect or part of a "matter" precludes provincial legislation applying to another aspect or part of the same "matter".

[4] The statement, of course, also holds true with respect to Section 82. However, the type of by-law contemplated by Section 82 which covers the raising or expenditure of money is unlikely to be "inconsistent with" provincial legislation. For practical purposes, therefore, the relevant section for inconsistency is Section 80, which contemplates substantive regulations.

[5] (1960), 32 W.W.R. 686 (B.C.S.C.).

> If a wife has left her husband and is living in adultery at the time of his death, she shall take no part of her husband's estate.[1]

Counsel argued that Sections 48 to 50 of the Indian Act, headed "Distribution of Property on Intestacy", formed a complete code respecting the estate of an Indian who has died intestate and that any provincial statute adding to that procedure and code would fall within the exception clauses in Section 87. Lord, J., held that the provincial enactment did apply. He stated:

> This argument overlooks the plain wording of Sec. 87 where it is made very plain that the test is inconsistency which to my mind means something which is at variance, or incompatible or contrary.[2]

Here, and throughout his discussion of the point, Lord, J., clearly treated the question as relating solely to inconsistency between the provincial enactment and the Indian Act. It may be questioned whether this approach gave sufficient weight to the concluding words of Section 87 (referred to as condition (4) supra) which exclude, as well, provincial laws which "make provision for any matter for which provision is made" by the Indian Act.

The question of whether a provincial law is "inconsistent with" or "makes provision for any matter for which provision is made by" the Indian Act (or order, etc. thereunder) is comparable to the type of inquiry the courts have had to pursue under the paramountcy doctrine of constitutional law.[3] Thus in Rex v. Shade,[4] the accused Indian had been convicted on a charge of being intoxicated in a public place contrary to Alberta's liquor statute. On appeal, the court held the offence of intoxication, as it affects Indians, was completely dealt with by the Indian Act,[5] leaving no room for the application of provincial law. Accordingly the conviction was quashed. The case was decided a year after Section 87 had been added to the Indian Act, but while the section was referred to, the court treated it as merely confirming the result achieved under the paramountcy doctrine in pre-1951 cases.[6] Feir, D.C.J., stated:

> Section 87 is a new section, not appearing in any of the prior legislation affecting Indians. It seems to be a clarification and restatement of previous case law which, in so far as offences against provincial statutes are concerned, is found mainly in these cases . . .[7]

The area is a difficult one and the usefulness of the older paramountcy cases concerned with Indians is questionable for two reasons. The first is that in recent decisions the Supreme Court of Canada has taken a narrow view as to what constitutes occupation of the field by parliament or as to what constitutes a conflict between provincial and federal statutes (where either would be intra vires standing alone) so as to bring the paramountcy doctrine into play.[8] Accordingly, it is doubtful if some of the older decisions, holding a legislative field to be completely occupied by the Indian Act, would now be followed.[1] Second, the exceptions in Section 87 regarding "inconsistency with" or "making provision for" the same matters as dealt with by or under the Indian Act, may, of course, be construed differently from either the older or the more recent views as to the sort of conflict necessary to give rise to the paramountcy doctrine.

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[1] R.S.B.C. 1948, c. 6, s. 126(1) (now R.S.B.C. 1960, c. 3, s. 115(1)).

[2] At W.W.R. 687 (emphasis supplied).

[3] See note 2, p. 224, supra, and accompanying text.

[4] (1952) 102 C.C.C. 316 (Alta., Dist. Ct.).

[5] Sections 94 and 96.

[6] As to liquor offences, the same conclusion had been reached by the British Columbia Court of Appeal in Rex. v. Cooper (1925) 35 B.C.R. 457. But cf. Rex v. Martin (1917) 41 O.L.R. 79 (App. Div.).

[7] Supra, note 4, at p.317.

[8] See O'Grady v. Sparling [1960] S.C.R. 804; Stephens v. The Queen [1960] S.C.R. 823; Smith v. The Queen [1960] S.C.R. 776; A.-G. for Ontario v. Barfried Enterprises Ltd. [1963] S.C.R. 570; Man v. R. [1966] S.C.R. 238.

Putting aside Section 87 of the Indian Act, another enactment going to provincial legislative competence in a particular sphere requires consideration. Reference has been made earlier to the clause in the agreements with Manitoba, Alberta and Saskatchewan, confirmed by the British North America Act, 1930, by the terms of which clause the province assures to the Indians the right:

> of hunting, trapping and fishing game and fish for food at all seasons of the year on all unoccupied Crown lands and on any other lands to which the said Indians may have a right of access.[2]

There is no doubt that provincial legislation, in those three provinces, must yield to the assurance or guarantee contained in the said clause; the only question is as to the scope of the immunity conferred on Indians of those provinces by the terms of the clause, so that provincial game legislation will not apply to them.

The cases construing the clause fall into two groups. The first has to do with what lands fall within the description of "unoccupied Crown lands" or "other lands to which the said Indians may have a right of access". The result of two Saskatchewan Court of Appeal decisions appears to be that a forest reserve falls within the description,[3] (so that provincial game laws are inapplicable to an Indian hunting thereon) but a game preserve does not.[4] Further, there is authority at the appellate level for the proposition that privately owned lands upon which an Indian is given permission to hunt by the owner are lands to which the Indian has a "right of access" within the meaning of the section.[5]

The second group of authorities has to do not with the lands over which exercise of the hunting right is assured, but the scope of the right itself. The operative words are those which confer the right to take game and fish "for food at all seasons of the year". In Rex v. Wesley[6] an Indian had been convicted under the Alberta Game Act of killing a deer below the size permitted by the terms of that statute. Counsel for the Crown argued for a narrow construction of the proviso in Section 12 of the Alberta Agreement, the substance of his contention being that the only effect of Section 12 was to free the Indians from seasonal restrictions. The Appellate Division unanimously allowed the appeal. In the leading judgment, McGillivray, J.A., expressed the opinion that the Crown's argument had over-emphasized the words

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[1] Cf., for example, Re Kane [1940] 1 D.L.R. 390 (N.S., Co. Ct.) where it was held that the Indian Act was exhaustive on the subject of Indian taxation so as to exclude provincial legislation so that the provision of a city charter providing for payment of a poll tax had no application to an Indian residing on or off the reserve.

[2] Supra, notes 3, p. 215 and 4-6, p. 215, and accompanying text.

[3] R. v. Strongquill (1953) 8 W.W.R. 247. The case of Rex v. Mirasty [1942] 1 W.W.R. 343 (Lussier, P.M.) must be taken to have been overruled in Strongquill, though not referred to in the latter decision.

[4] R. v. Smith [1935] 2 W.W.R. 433. Though this case was distinguished, rather than overruled, in Strongquill, the reasoning in the two decisions is somewhat difficult to reconcile.

[5] R. v. Little Bear (1958) 26 W.W.R. 35 (Alta. C.A.) aff.'g (1958) 25 W.W.R. 580 (Dist. Ct.).

[6] [1932] 2 W.W.R. 337 (Alta., App. Div.).

"all seasons" at the expense of the words "for food". The court came down in favour of a much broader concept of rights guaranteed to the Indians by Section 12. The important question was whether the Indian was hunting for food (and it was admitted in the instant case that Wesley was hunting for food) or whether, on the other hand, he was hunting for sport or commerce. If hunting for food, the Indian was within the scope of the proviso to Section 12; if hunting for sport or for purposes of selling the game, he was outside the protection of the proviso in Section 12 and therefore subject to the same game laws as the non-Indian.

In the recent case of Regina v. Prince[1] the charge did not relate either to seasonal prohibitions or to the type of game but to the manner in which the hunting was carried on. The accused Indian was charged with violation of the provision in the Manitoba statute prohibiting the use of night lights in hunting big game. The majority of the Manitoba Court of Appeal held that the view taken in the Wesley case of the scope of the relevant section in the Natural Resource Agreements was too wide. Miller, C.J.M., delivering the majority judgment, stated:

> The point is: Just what restrictions in The Game and Fisheries Act do apply to Indians? It seems to be that the manner in which they may hunt and the methods pursued by them in hunting must, of necessity, be restricted by the said Act. Mr. Pollock, counsel for the Indians, argued that they were only restricted by the provisions of The Game and Fisheries Act when hunting for sport or commercial purposes. I can only say that I am unable to read any such provision into Sec. 13 of the Manitoba Natural Resources Act.[2]

Freedman, J.A., giving the reasons for the minority, agreed with McGillivray, J.A., in Wesley and disagreed with the majority in the instant case. The decisive question upon which applicability of the proviso in Section 13 (and from which the non-applicability of provincial legislation resulted) was whether or not the Indian was hunting "for food". If so, the provincial game prohibitions were excluded.

> To hunt game with the aid of a night light is clearly unsportsmanlike. Here, however, the accused Indians were not engaged in sport. They were engaged in a quest for food. Once that quest was satisfied they would then be subject to the restrictions of the Act.[3]

On appeal, the Supreme Court of Canada, in an unanimous decision of the full court, reversed the decision appealed from. Hall, J., delivering the reasons of the court, expressly agreed with the dissenting judgment of Freedman, J.A., in the court below. In the result, the present position appears to be that an Indian in the Prairie Provinces, hunting on lands which are unoccupied or to which he has a right of access, is for all practical purposes exempt from provincial game legislation provided that he is hunting for food.

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[1] [1964] S.C.R. 81.

[2] 40 W.W.R. 234 at pp. 238-9.

[3] Ibid, at p. 223.

Section 2.

The first section of this chapter has analyzed the limitations on the competence of the federal and provincial governments to enact legislation pertaining to Indians. In this section we propose to investigate the degree of flexibility which can be exploited to alter the special relationship to governments in the federal system which, at present, is a consequence of being Indian. Initially, however, it will be helpful to summarize the findings of the preceding section.

Federal legislative competence pertaining to Indians is not limited by Indian treaties, international treaties, the Royal Proclamation, or the Canadian Bill of Rights.[1] The federal government may be subject to the guarantees of hunting, fishing and trapping which are contained in the 1930 Natural Resource Agreements with the Prairie Provinces.[2] The applicability of the 13th Article of the Terms of Union with British Columbia which states that with respect to Indians and Indian lands "a policy as liberal as that hitherto pursued by the British Columbia Government shall be continued by the Dominion Government after the Union" is theoretically possible, but practically doubtful. Given the uncertainty of the law, it is possible, although unlikely in view of recent cases, that the judicial ban on delegation of legislative authority might prevent Section 87 of the Indian Act from making provincial laws enacted subsequent to 1951 applicable to Indians which, in the absence of that section, would not be applicable.

For the sake of completeness, it is necessary to mention a general limitation on federal legislative competence which arises from essential rules of judicial construction in a federal system. The allocation of law-making authority to parliament with respect to Indians and lands reserved for the Indians does not allow parliament to determine the scope of legislative authority contained in the grant of authority covered by Section 91, Head 24. The courts have the capacity to declare that legislation allegedly relating to Indians and/or lands reserved for the Indians is, in pith and substance, legislation pertaining to a class of subjects allocated to the provinces under Section 92 of the British North America Act. In such cases, the federal legislation will be declared ultra vires.

The limitations on provincial legislative competence are somewhat more straightforward. The provisions of the British North America Act prevent the provinces from enacting special legislation dealing with Indians qua Indians, or with Indian lands qua Indian lands.[3] Provincial laws in Manitoba, Saskatchewan and Alberta cannot override the rights of hunting, fishing, and trapping accorded Indians under the 1930 Natural Resource Agreements.

Section 87 of the Indian Act established four limitations to the applicability of provincial laws of general application:

(1) Where there is a conflict between a provincial law and the provisions of an Indian treaty, then the provincial law is inapplicable to the extent of such conflict.

(2) Provincial laws in conflict with any Act of Parliament, other than the Indian Act, must give way to the extent of such conflict. This is a

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[1] The law in this area is, of course, capable of further evolution and it is possible that future judicial decisions will indicate otherwise. In such a case, parliament could override any judicial restriction by exercising its right under the bill to declare that a particular statute "shall operate notwithstanding the Canadian Bill of Rights".

[2] See supra., pp. 216-217. The Migratory Birds Convention Act and Regulations could be made applicable by concurrent statutes of the province and federal government under Section 24 of the agreement which states: "The foregoing provisions of this agreement may be varied by agreement confirmed by concurrent statutes of the Parliament of Canada and the Legislature of the Province."

[3] See, however, the discussion in the first section of this chapter which deals with the complexities of this point.

general rule of interpretation of the British North America Act derived from the wording of Section 91.

(3) Provincial laws which are "inconsistent with" the Indian Act (or any order, rule, regulation or by-law made under the Indian Act) are not applicable to Indians.

(4) Provincial laws are also inapplicable if they "make provision for" any matter for which provision is made by or under the Indian Act.

Limitations (3) and (4) above seem to be no more than the application to the Indian Act, and to by-laws enacted under the authority of that Act, of a particular version of the general constitutional position that in cases of conflict between federal legislation properly enacted under the authority of Section 91 and provincial legislation under Section 92 the federal legislation shall prevail.

It might usefully be noted in conclusion that the Bill of Rights is limited in scope to matters within federal jurisdiction, and, therefore, does not constitute a limitation on provincial legislative competence with respect to Indians.

It is evident that the actual limitations on federal legislative competence are minimal. The limitations on provincial legislative competence are more striking, but they largely relate to the extent to which the federal government has occupied a field otherwise of provincial jurisdiction by devising its own Indian policy for the particular field. In many cases, therefore, a removal of some of the actual limitations on provincial legislative competence rests with the federal government.

Over time, a particular pattern of responsibilities towards Indian status persons has been assumed by federal and provincial governments. Here we propose to look at this pattern to assess how much flexibility it possesses. Although it is difficult to disentangle the relevant factors which must be considered, the importance of the question justifies the attempt.

At the present time, a concerted effort is being made to bring the Indians more fully into the provincial framework of law and services while simultaneously, and with due attention to the urgent necessity for positive programs of socio-economic change, the federal government hopes gradually to relinquish the special supports and services it has provided for Indians for the last century. The process is, in fact, one of decolonization and it will necessitate not only striking changes in the relationships of Indians to federal and provincial governments, but also dramatic improvements in the capacity of Indians successfully to accommodate themselves to the requirements of an impersonal, bureaucratic, technological society undergoing constant change.

In this section we are concerned with the constitutional and treaty limits to change. The confusion which exists in this area is exacerbated by widespread misconceptions about the nature of the existing situation and by the residual impact of attitudes and policies which reflect the historical division of federal-provincial responsibilities, a division which is no longer acceptable. Federal officials assert that the extension of provincial services to Indians in no way implies any diminution of their constitutional responsibility for Indians. Provincial officials state that although they may play a larger role in service provision for Indians, there will be no interference with Indian "rights". Indians, with considerable justification, find it exceptionally difficult to discover what is happening and they are concerned that some of the rights they have come to regard as theirs may be imperilled by some of the changes they vaguely discern. Analysis is not facilitated by the fact that the content of "rights" and "responsibilities" varies from person to person and from occasion to occasion.

Initially, it will be useful to reflect on the significance of "Indians and lands reserved for the Indians". There is a widespread misunderstanding of the implications which flow from the allocation of legislative authority over the two subject matters of Indians and Indian lands to the federal government. Its main implication is negative rather than positive. The basic effect of assigning legislative authority to one level of government is to preclude the other level of government from legislating with specific reference to that class of persons or things. Thus, with minor qualifications, the provinces cannot legislate with specific reference to Indians or Indian lands. On the other hand, there is no constitutional barrier to provincial laws of general application including Indians as well as non-Indians within the ambit of their operation. There may, of course, as noted above, be other barriers.

The location of Indians and lands reserved for the Indians in the grant of law-making authority to the federal government does not, per se, require the federal government to enact any legislation for Indians at all. Such an assignment of legislative authority is permissive rather than mandatory. It does not automatically oblige the recipient government to do anything. It simply has the effect of ensuring that if the federal government does legislate with respect to Indians or Indian lands, its legislation will be supported by the courts.

By and large, therefore, the comprehensive legislation found in the Indian Act does not represent the fulfilment of a constitutional obligation. On the whole, the structure of policy and administration erected by the federal government on the authority of 91(24) represents a voluntarily assumed role. This would indeed constitute a virtually complete explanation for existing federal responsibilities if it were not for the treaties. The treaties, which it must be noted, cover only about half of Canada's Indian population, have the effect of imposing certain responsibilities on the federal government. As noted in the previous section of this chapter, a conflict between federal legislation and a treaty "right" will be resolved in favour of the former. In this section we assume that the federal government wishes to respect treaty "rights", and that such "rights", therefore, constitute moral, if not necessarily legally enforceable, obligations.

Before proceeding to a discussion of the treaties, it will be helpful to present relevant background information, and to indicate the essential purpose which this section of the chapter is designed to serve. The subject matter of the treaties is extremely complex, a fact which prevents a comprehensive appraisal of their contents, the contexts within which they were signed, and the divergent interpretations which their provisions have elicited. The task of this section is the attempted establishment of the significance of the treaties for a different pattern of federal-provincial responsibilities for Indians than now exists. Other purposes, such as detailed examination of Indian treaty rights in hunting and fishing in the light of contemporary federal and provincial legislation, or the continuing significance and geographical coverage of the Royal Proclamation of 1763, would have required a great deal more research than proved possible for this project, and more than was necessary for its essentially limited purposes.

No attempt is made in this section to assess, either generally or specifically, the extent to which the provisions of the treaties have been fulfilled. In view of the proposed establishment of an Indian Claims Commission we feel that our comments would be inappropriate. Our comments are also unnecessary with respect to the extent to which Indian rights to game and fish promised in various treaties and surrenders have or have not been eroded by the legislative or administrative action of federal or provincial governments. The question of Indian rights in this area, the extent to which they have been eroded, and the legislative action to see that they are carried out is being investigated by an interdepartmental committee of the federal government which will shortly present its report to cabinet.

Persons who are indians for the purposes of the Indian Act can be divided into those who are treaty Indians and those who are not. Early in the settlement of North America, the British recognized an Indian title or interest in the soil to be parted with or extinguished by agreement with the Indians, and then only to the Crown. This gave rise to the practice of making agreements or treaties, as they were afterwards called, with various Indian tribes. The policy began in British colonial times in what is now the United States and was afterwards introduced into Canada. As settlement began in southern Ontario, agreements or treaties were made with the Indians for surrender of their interests in the land. After Confederation, Canada followed the practice of making treaties in Ontario, the Prairies, and the Northwest. As a result, about half of the Indian population is under treaty. There have been no treaties entered into with the Indians in Quebec, and in the Maritimes certain possible bases for treaty rights have been rejected by the courts. The possibility of a changed recognition of the status of the Maritime treaties will be noted in a moment. Also not included in the treaties are the Iroquois of Brantford and Tyendinaga, and certain other groups who immigrated to Canada from what is now the United States, and were given reserves in Canada. In British Columbia the province did not recognize that Indians had any title and considered the land question settled with the establishment of reserves. However, in 1926 a special committee of the senate and house of commons recommended that in lieu of treaty monies payable to Indians in other areas, a sum of $100,000 be expended annually for the benefit of Indians of the province who had not been brought under treaty. Because of their peculiar geographic position and close relationship with neighbouring Alberta Indians, the Indians of Northeastern British Columbia were brought under Treaty 8 between 1899 and 1910, notwithstanding the position taken by the province with respect to Indian title.[1]

One additional qualification is relevant to a description of the treaty status of Indians in British Columbia. Between 1850 and 1854 fourteen agreements or treaties were concluded by Governors Blanshard and Douglas with Indian tribes on the southern half of Vancouver Island. The recent decision of the Supreme Court of Canada in the White and Bob case held that one of these agreements between the Saalequun tribes and James Douglas, factor of the Hudson's Bay Company and Governor of Vancouver Island, was a treaty within the meaning of Section 87 of the Indian Act. It seems likely that the same reasoning would apply to the remaining Vancouver Island treaties, although they lack the formality characteristic of the main treaties in Ontario and the Prairies.

The situation in the Maritimes and Northern Quebec also requires preliminary comment before proceeding with the main discussion.

The situation in Nova Scotia and New Brunswick can only be described, in legal terms, as indeterminate. Two documents bearing similarities to recognized treaties elsewhere in Canada are in existence. The first document, Submission and Agreement of Eastern Indians, December 15, 1725, an agreement with the Penobscot, Naridgwalk, St. John, Cape Sables and other tribes inhabiting His Majesty's territories of New England and Nova Scotia, contains the following:

> That His Majesty's subjects, the English, shall and may peaceably and quietly enter upon improve and forever enjoy all and singular their Rights of God and former settlement properties and possessions within the Eastern parts of the said province of the Massachusets Bay together with all Islands, inlets, shoars, beaches and fishery within the same without any molestation or claims by us or any other Indian and be in no ways molested, interrupted or disturbed therein.
>
> Saving unto the Penobscot, Naridgwalk and other tribes within His Majesty's province aforesaid and their natural descendants respectively all their lands, liberties and properties not by them convey'd or sold to or possessed by any of the English subjects as aforesaid. As also the privilege of fishing, hunting and fowling as formerly.

The second document, Treaty or Articles of Peace and Friendship Renewed, December 6, 1752 (Annapolis, Halifax and St. Johns River) between His Excellency Peregrine Thomas Hopson Esquire Captain General and Governor in Chief in and over His Majesty's province of Nova Scotia and Major Jean Baptiste Cope Chief Sachem of the Tribe of Mick Mack Indians inhabiting the Eastern Coast of the said province and three other members or delegates of the same tribe, reaffirmed the 1725 Submission and Agreement which according to the 1752 Treaty, Section 1, had been ratified and confirmed "by all the Nova Scotia Tribes", and continued in the following language:

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[1] This paragraph closely follows The Canadian Indian, Ottawa, 1964, pp. 3-4.

> It is agreed that the said Tribe of Indians shall not be hindered from, but have free liberty of hunting and fishing as usual and that if they shall think a truck house needfull at the River Chibenaccadie, or any other place of their resort they shall have the same built and proper merchandize, lodged therein to be exchanged for what the Indians shall have to dispose of and that in the meantime the Indians shall have free liberty to bring for sale to Halifax or any other settlement within this province, skins, feathers, fowl, fish, or any other thing they shall have to sell, where they shall have liberty to dispose thereof to the best advantage.
>
> That a quantity of bread, flour, and such other provisions, as can be procured, necessary for the familys and proportionable to the numbers of the said Indians, shall be given them half yearly for the time to come; and the same regard shall be had to the other tribes that shall hereafter agree to renew and ratify the peace upon the terms and conditions now stipulated.
>
> That to cherish a good harmony and mutual correspondence between the said Indians and this government His Excellency . . . Governor in Chief in and over His Majesty's Province of Nova Scotia . . . hereby promises on the part of His Majesty that the said Indians shall upon the first day of October yearly, so long as they shall continue in friendship, receive presents of blankets, tobacco, some powder and shott, and the said Indians promise once every year, upon the said first of October, to come by themselves or their delegates and receive the said presents and renew their friendship and submissions.

As noted in the first section of this chapter, it was decided in the case of R. v. Syliboy[1] that the above was not a treaty in the sense understood by the court to be relevant. In view of the liberal interpretation of what constitutes a treaty within the meaning of Section 87 of the Indian Act which was taken in the White and Bob case, it is likely that such documents as the 1752 Treaty would now be accorded treaty status for the purpose of Section 87. In the case of Regina v. Simon[2] where the Appellate Division of the New Brunswick Supreme Court convicted the accused under the Fisheries Act, it was held that the accused had failed to establish his connection with the two treaties of 1725 and 1752 on which he relied. The Chief Justice who delivered the judgment, indicated apparent dissatisfaction with the nature of the judicial role in this particular case with his concluding observation that the task of determining the scope and effect of Section 87 of the Indian Act "is one which, in our respectful opinion, could befittingly be undertaken by the Executive Authority".

The Indians, according to Branch officials, have not been convinced of their non-treaty status by the decisions of the courts. In the words of a senior Branch official:

> It remains a sore point with the present generation which feels that this (the 1752 treaty) and other agreements made in those days are binding on Canada. These agreements hold a special place in the hearts and minds of the Indians because they represent, for the Indians, a recognition of their identity as a people whose roots and traditions stretch far back into Canadian pre-history.

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[1] (1928) 50 C.C.C. 389 (N.S. Co. Ct.).

[2] (1958) 124 C.C.C. 110.

The question of Indian rights in Northern Quebec pertains not to the recognition of existing treaties but to the absence of any extinguishment of the aboriginal Indian title. A series of statements, documents, and agreements, including the deed of surrender of Rupert's Land by the Hudson's Bay Company to Canada in 1869, Schedule A of the Order in Council (Imperial) of June 23, 1870, admitting Rupert's Land and the Northwest Territories into the Union, the speech from the throne in 1870, Order in Council P.C. 2626 of January 17, 1910, and the Quebec Boundaries Extension Act 2 George V, Chap. 45, cumulatively and with clarity provide for the extinguishment of the Indian aboriginal title "in conformity with the equitable principles which have uniformly governed the British Crown in its dealings with the aborigines" (speech from the throne, 1870), namely the principles of the Royal Proclamation of 1763.

The Quebec Boundaries Extension Act of 1912, which added 456,000 square miles to the province of Quebec, contained a promise that the province

> will recognize the rights of the Indian inhabitants in the territory above described to the same extent, and will obtain surrenders of such rights in the same manner, as the Government of Canada has heretofore recognized such rights and has obtained surrender thereof, and the said province shall bear and satisfy all charges and expenditure in connection with or arising out of such surrenders ...

the surrenders to require the approval of the Governor in Council. In view of the preceding, it is remarkable that no action has been taken to satisfy the clearly expressed right of the Indians in the area concerned to the treaties to which they are entitled. The situation is rendered more anomalous by the fact that Ontario, which was subject to similar provisions in the Ontario Boundaries Extension Act of 1912, has discharged its obligations and is paying annuities to the Indians concerned for the surrender of their rights and interests in the land.

It will be convenient at this point to provide a brief summary of the pre-Confederation treaties before commencing the more extended discussion which is devoted to the post-Confederation treaties. The latter possess greater significance for our purposes since they make more promises to the Indian signatories than do their pre-Confederation counterparts.

The whole of Upper Canada was purchased by the Crown in a series of Indian surrenders in which certain areas were reserved to the Indians for their continued use. Up to 1818, the compensation for the lands, whether in goods or money, was paid to the Indians at the time of the treaty, but subsequently it took the form of an annuity. In 1829 permission was received from the Secretary of State to apply the annuities towards building houses and purchasing agricultural implements and stock for such members as were disposed to settle in the province. Consequently, the payment of annuities ceased. As a result of this change it became necessary to credit each band, yearly, with the amount of its annuity and to direct the expenditure of the money for its benefit. This led to the admission of the Indians to a voice in the disbursement of their funds. Some time previous to Confederation, the annuities granted to the Indians under the Upper Canada treaties were capitalized and the interest placed each year to the credit of their respective accounts, and distributed to the Indians entitled to them semi-annually along with the interest derived from the sale of their lands, timber, etc.

In contrast to the post-Confederation treaties, these Upper Canada surrenders were sparing in making promises to the Indian people. The only specific mention of hunting or fishing rights is found in the Mississauga surrenders of 1805 and 1806 which reserved to the said Indians

> the sole right of the fisheries in the Twelve Mile Creek, the Sixteen Mile Creek, the River Credit and the River Etobicoke, together with the lands on each side of the said creeks and the River Credit as delineated and laid

> down on the annexed plan, the said right of fishery and reserves extending from the Lake Ontario up the said creeks and River Credit the distance hereinafter mentioned and described and no further.
>
> And the right of fishery in the River Etobicoke from the mouth of the said river to the allowance for road between the first and second concessions south side of Dundas Street, and no further.[1]

These fishing rights, however, were extinguished in 1820[2] with the exception of rights on the Etobicoke River. These latter, in turn, were extinguished along with other Mississauga hunting, fishing and trapping rights in Southern and Central Ontario for a payment of $250,000 in 1923.

The only other promises to be found in the Upper Canada treaties, aside from annuities, occur in a transaction with the Saukings in 1836 under which the Indians were promised, in return for surrendering their existing territory and settling either on Manitoulin Island or on Sauking territory North of Owen Sound, that "proper houses shall be built for you, and proper assistance given to enable you to become civilized and to cultivate land..."[3]

There are three Province of Canada treaties, the Robinson Superior Treaty of 1850 with the Ojibewa Indians of Lake Superior, the Robinson Huron Treaty of 1850 with the Ojibewa Indians of Lake Huron, and the Manitoulin Island Treaty of 1862 with the Ottawa, Ojibewa and other Indians.

The two Robinson Treaties each provided for an initial payment of two thousand pounds, annuities of five hundred pounds (Superior) and six hundred pounds (Huron), the establishment of reserves, and "the full and free privilege to hunt over the territory now ceded by them, and to fish in the waters thereof as they have heretofore been in the habit of doing, saving and excepting only such portions of the said territory as may from time to time be sold or leased to individuals, or companies of individuals, and occupied by them with the consent of the provincial government". It is noteworthy that there is no mention of the fact that the hunting and fishing rights were to be subject to government regulations.

The Manitoulin Island Treaty of 1862 provided, for the agreeing Indians, an initial payment of $700, an annual interest payment from the proceeds of land sales, grants of land, and, "All the rights and privileges in respect to the taking of fish in the lakes, bays, creeks and waters within and adjacent to the said island, which may be lawfully exercised and enjoyed by the White settlers thereon, may be exercised and enjoyed by the Indians". The peculiar wording of the quoted proviso constituted an attempt to assure the Indians that they would not be chased off their fishing grounds by aggressive White men.

In addition to the pre-Confederation treaties of Eastern Canada, there are, as previously mentioned, fourteen treaties with the Indians of Southern Vancouver Island. The treaties were made with the following tribes: Teechamitsa, Kosampsom, Swenghung, Chilcowitch, Whyomilth, Che-ko-nein, Ka-ky-aakan, Chewhaytsum, Sooke, Saanich (South Saanich), Saanich (North Saanich), Queackar, Quakeolth, and Saalequun. All the treaties were similar in form, containing an Indian surrender of land and payment to the tribe of compensation in sterling. The main section of each treaty, which follows the designation of the area surrendered, reads as follows:

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[1] Indian Treaties and Surrenders from 1680 to 1890, Ottawa, 1905, Vol. 1, p. 38.

[2] Ibid., p. 52.

[3] Ibid., p. 113. See also ibid., p. 53 for a conditional promise that the proceeds of a surrender of 1820 "may" be used by His Majesty to "make provision for the maintenance and religious instruction of the people of the Mississauga Nation of Indians and their posterity..."

> The condition of or understanding of this sale is this, that our village sites and enclosed fields are to be kept for our own use, for the use of our children, and for those who may follow after us; and the land shall be properly surveyed hereafter. It is understood, however, that the land itself, with these small exceptions, becomes the entire property of the White people forever; it is also understood that we are at liberty to hunt over the unoccupied lands, and to carry on our fisheries as formerly.

. . .

The Indian Affairs Branch has stated that, "The needs of Indians not under treaty . . . receive no less attention from the government on that account."[1] While this is generally true, it is somewhat of an overstatement, particularly with respect to the post-Confederation treaties, if it is taken to mean that little significance attaches to being 'in treaty'. Indians covered by treaty possess, individually and collectively, certain rights to particular kinds of treatment from government. The counterpart of these rights is, of course, that the government has assumed certain obligations. In the following pages we will categorize the main provisions of the standard numbered treaties from 1 to 11.[2] An attempt will be made to assess the general significance of the treaties and to evaluate the extent to which they seem to complicate the development of a more intimate and extensive involvement of the provinces than now exists. The main provisions of the treaties have been grouped into six main categories: (1) treaty presents, (2) annuities, (3) land, (4) hunting, fishing and trapping, (5) liquor, (6) socio-economic matters in the fields of education, agriculture, health and welfare.[3]

The following table shows the area ceded in each of the post-Confederation treaties numbered 1 to 11, the geographical location of each treaty area, and the size of the Indian population to which its provisions refer:

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[1] The Canadian Indian, p. 4.

[2] The two 1923 treaties with the Chippewa Indians of Christian Island, Georgina Island and Rama, and with the Mississauga Indians of Rice Lake, Mud Lake, Scugog Lake and Alderville have been excluded from the discussion to follow because of the untypical nature of their contents, the extinguishment of Indian hunting, fishing and trapping rights over an area of 20,100 square miles in Southern and Central Ontario between Lake Ontario and Georgian Bay in return for a payment of $500,000 by the Province of Ontario.

[3] A general brief discussion of the treaties is provided in Joint Committee, 1946, pp. 31-8. The relation of treaties to Indian hunting and fishing rights is discussed in Joint Committee, 1961, pp. 417-57.

## POST CONFEDERATION TREATIES NUMBERED 1 TO 11

| Treaty Number | Area Ceded in Square Miles | Geographical Location | Population as of April, 1966 |
|---|---|---|---|
| 1 | 16,700 | Southern Manitoba centering on Portage la Prairie and Winnipeg districts | 5,211 |
| 2 | 35,700 | Central Manitoba, Southeastern Saskatchewan and Southwestern Manitoba | 7,293 |
| 3 | 55,000 | Extreme Southwest of Ontario lying West of the Great Lakes and small portion of Southeastern Manitoba | 5,544 |
| 4 | 74,600 | Mainly Southern Saskatchewan | 10,712 |
| 5 | 100,000 | Northern Manitoba and part of extreme Western Ontario, North of Treaty No. 3 | 16,878 |
| 6 | 121,000 | Central Alberta and Central Saskatchewan | 22,054 |
| 7 | 42,900 | Southern Alberta | 8,946 |
| 8 | 324,900 | Northern Alberta, the Northwest Territories South of Great Slave Lake, and Northeastern British Columbia | 7,911 |
| 9 | 90,000 | That part of Ontario draining into the Hudson Bay | 9,161 |
| 10 | 85,800 | Northern Saskatchewan | 4,568 |
| 11 | 372,000 | Northwest Territories North of Great Slave Lake | 4,438 |

Source: Area ceded and geographical location from The Canadian Indian, pp. 4-8. Population figures provided by the Indian Affairs Branch.

Treaty Presents:

In general these comprised small per capita payments with slightly higher amounts usually given to chiefs and head men. These payments were frequently supplemented by various miscellaneous items and equipment. These initial payments now possess only historical interest.

Annuities:

The basic item is a small annual per capita payment, in most cases $5.00 per person. Chiefs and head men usually received higher amounts as well as a triennial suit of clothes. Most treaties also provided for an additional annual payment for ammunition and/or twine.

While the annuities are still symbolically important to many Indians, their financial significance is minimal. The basic per capita payments are the equivalent of the monthly family allowance payments for one child.

Land:

Under the treaties the government promised to establish reserves of a size that varied with the population of the Indian band. The standard sizes were either 160 acres or one square mile, or up to one square mile per family of five. Typically the government reserved to itself the right to deal with settlers within reserve land boundaries; the right to sell or lease reserve lands with the consent of the Indians, and to appropriate reserve lands for federal public purposes subject to compensation for improvements and lands.[1]

The reserve provisions of the treaties are clearly of major importance. They provide the Indian communities concerned with an inalienable land base and they necessitate a continuing role for the federal government. The combination of the reserve provisions of the treaties plus the constitutional allocation of "lands reserved for the Indians" to the federal government creates an inescapable area of federal government performance. As long as the reserves continue to exist and no amendments are made to the British North America Act, Ottawa is logically required to provide for the "control, direction and management of lands reserved for the Indians" (The King v. Lady McMaster), since the provinces are constitutionally incapable of doing so. This conclusion could only be avoided either by a constitutional amendment deleting "lands reserved for the Indians" from Section 91, or the erosion of the substantive area to which it applies by the abolition of the reserves as such.

It should be noted, however, that the conclusions of the preceding paragraph are equally applicable to the management of the reserves of Indians not under treaty. In practical terms there is no difference between reserves established under treaty and those not so established. In extreme circumstances it might prove legally more difficult for the federal government to eliminate treaty reserves against Indian wishes than non-treaty reserves, but since we do not visualize such a course of action, the distinction will doubtless remain academic.

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[1] Indians of the Mackenzie District of the Northwest Territories under Treaties 8(1899) and 11 (1921) have not received reserves, amounting to approximately 576,016 acres, to which they are entitled. A Commission of Inquiry investigated the unfulfilled provisions of the treaties in 1959, and in view of the fact that Indians "definitely do not want to live on reserves", and that Indian reserves "belong to a past era in Canadian history and that there is nothing to be gained but much to be lost by instituting such a system in the Mackenzie District today" recommended that reserves not be set aside, but that the treaties be renegotiated to provide the Indians with alternative compensation. Report of the Commission Appointed to Investigate the Unfulfilled Provisions of Treaties 8 and 11, as they Apply to the Indians of the Mackenzie District, 1959.

In addition to the unsettled Indian land entitlement in the Mackenzie District under Treaties 8 and 11, additional land entitlements for Indians exist for 4 Indian bands in Manitoba, 5 bands in Saskatchewan, and 2 bands in Alberta, 1 of which extends into the Northwest Territories. It is expected that the entitlement of the Saskatchewan bands and the Cree (Chippewyan) band in Alberta will shortly be met as negotiations are already underway.

It should be noted that our interpretation of the constitutional significance of the reserves, which will be further discussed below, does not include an assumption that the federal government, either constitutionally or under treaty, is under an obligation to, or is the only government with the capacity to, regulate the lives and affairs of Indians on a reserve. In brief but general terms, we assume that the 'responsibility' flowing from the British North America Act relating to Indian lands refers only to regulating the land basis of the Indian community.

Hunting, Fishing, Trapping:

Rights to these are not mentioned in Treaties 1 and 2. Treaties 3, 5 and 6 accord the Indians hunting and fishing rights in the ceded area subject to government regulation. Treaties 4, 8, 9, 10 and 11 accord similar rights with the addition of trapping. Treaty 7 mentions only hunting rights subject to government regulations.

To many Indians these rights are still of substantial importance. The extent to which they constitute limitations on the legislative competence of federal and provincial governments has been noted in the first section of this chapter. Here it will be useful to comment on another possible limitation of these rights. The rights to hunting, fishing, and trapping laid down in Treaties 3 to 11 are qualified in the sense that they are stated to be "subject to such regulations as may from time to time be made by the government acting under the authority of His Majesty . . . ." In its literal sense the qualification could be so interpreted that any enactment (at least any federal enactment) would fall within its ambit so that no legislative encroachment upon or abrogation of these rights could be regarded as a breach of treaty. The possibility that the qualification could be so broadly interpreted as to negate the rights in question has been repudiated in two decisions at the appellate level: Rex and Wesley[1] with reference to Treaty No. 7, and Regina v. Sikyea with respect to Treaty 11.

The pertinent part of the reasons delivered by McGillivray, J.A., in the former case was incorporated in the judgment of the Northwest Territories Court of Appeal in the latter case:

> From these treaties and from the negotiations preceding the signing of these treaties as reported in Mr. Morris' book, it is, I think, obvious that while the government hoped that the Indians would ultimately take up the White man's way of life, until they did, they were expected to continue their previous mode of life with only such regulations and restrictions as would assure that a supply of game for their own needs would be maintained. The regulations that the 'Government of the Country' are entitled to make under the clause of the treaty which I have quoted, were, I think, limited to this kind of regulation. Certainly the Commissioners who represented the Government at the signing of the treaties so understood it. For example, in the report of the Commissioners who negotiated Treaty 8, this appears:
>
>> "Our chief difficulty was the apprehension that the hunting and fishing privileges were to be curtailed. The provision in the treaty under which ammunition and twine is to be furnished went far in the direction of quieting the fears of the Indians, for they admitted that it would be unreasonable to furnish the means of hunting and fishing if laws were to be enacted which would make hunting and fishing so restricted as to render it impossible to make a livelihood by such pursuits. But over and above the provision, we had to solemnly assure them that only such laws as to hunting and fishing as were in the interest of the Indians and were found necessary in order to protect the fish and

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[1] (1932) 2 W.W.R. 337 (Alta. App. Div.).

> > fur-bearing animals would be made, and that they would be as free to hunt and fish after the treaty as they would be if they never entered into it."
>
> These Indians, as well as all others, would have been surprised indeed if, in the face of such assurances, the clause in their treaty which purported to continue their rights to hunt and fish could be used to restrict their right to shoot game birds to one and a half months each year. I agree with the view of McGillivray, J.A., in the Wesley case where he says (p. 352 W.W.R.):
>
> > "It is true that government regulations in respect of hunting are contemplated in the treaty but considering that treaty in its proper setting, I do not think that any of the makers of it could by any stretch of the imagination be deemed to have contemplated a day when the Indians would be deprived of an unfettered right to hunt game of all kinds for food on unoccupied Crown land."[1]

We are in agreement with the reasoning of the above decision with its indication that the regulations which the treaties allow should not become vehicles for the erosion of the rights which the treaties establish. We also note that for many years to come the traditional Indian pursuits of hunting and fishing will remain important to the Indians scattered across the northern reaches of the provinces from Quebec to British Columbia. Nevertheless, it is essential to observe that the economic development of Indian communities will have only a limited relation to traditional ways of making a living. In another section of this Report it is argued that the income available from traditional pursuits of hunting, fishing and trapping is simply inadequate for the maintenance of a Canadian standard of living. We do not wish to be misunderstood here. We are not stating that the hunting, fishing and trapping rights which some Indians have under treaty should be lightly regarded or cavalierly disregarded. Common morality suggests that it is an obligation of the Canadian people acting through their governments to see that treaty rights received in return for relinquishing title to the land on which a flourishing industrial society has been built are scrupulously respected. We reiterate, however, that in terms of the massive economic needs of the Indians, these rights do not loom large.

Liquor:

Treaties 1 to 6 inclusive contain references to the prohibition of liquor within the boundary of Indian reserves until otherwise determined by the Government of Canada or proper legislative authority. It might be argued that implicit in these provisions there is an obligation on the federal government not to relax its liquor controls against the wishes of the Indians concerned. This possible limiting condition is adequately met by Section 96A of the Indian Act. The liquor provisions of Treaties 1 to 6 further state, with minor changes in wording, that "all laws now in force, or hereafter to be enacted, to preserve Her Indian subjects inhabiting the reserves or living elsewhere within Her Northwest Territories from the evil influence of the use of intoxicating liquors, shall be strictly enforced". We assume that the enforcement of existing legislation either on or off the reserves is of a manner adequate to satisfy treaty "requirements".

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[1] Regina v. Sikyea, at 43 D.L.R. (2d) 153-154. The Supreme Court of Canada agreed with the reasons as well as the conclusion of the above judgment. For further information on the promises preceding the signing of the treaties, see Alexander Morris, The Treaties of Canada with the Indians of Manitoba and the Northwest Territories, Toronto, Belfords, Clarke and Co., 1880, p. 29 for Treaties 1 and 2, pp. 58, 66-7, 75 for Treaty 3, p. 96 for Treaty 4, p. 162 for Treaty 5, pp. 194-5 for Treaty 6, and p. 267 for Treaty 7. For Treaties 9, 10 and 11 see the Reports of the Commissioners as follows: pp. 5-6, 10-11 for Treaty 9, p. 5-6 for Treaty 10, and p. 1 for Treaty 11.

Socio-Economic Matters: Education

Treaties 1 to 11 make varying mention of education. Treaties 1 and 2 state that "Her Majesty agrees to maintain a school on each reserve hereby made whenever the Indians of the reserve should desire it". In Treaty 4 "Her Majesty agrees to maintain a school in the reserve allotted to each band, as soon as they settle on said reserve and are prepared for a teacher". In Treaties 3, 5 and 6 "Her Majesty agrees to maintain schools for instruction in such reserves hereby made as to Her Government of the Dominion of Canada may seem advisable, whenever the Indians of the reserve shall desire it". In Treaties 8 and 11 "Her Majesty agrees to pay the salaries of such teachers to instruct the children of said Indians as to Her Majesty's Government of Canada may seem advisable". The same statement is contained in Treaty 7 with the addition of the phrase "when said Indians are settled on their reserves and shall desire teachers". In Treaty 9 "His Majesty agrees to pay such salaries of teachers to instruct the children of said Indians, and also to provide such school buildings and educational equipment as may seem advisable to His Majesty's Government of Canada". In Treaty 10 "His Majesty agrees to make such provision as may from time to time be deemed advisable for the education of the Indian children".

It is not easy to state categorically the nature of the educational commitments assumed by the federal government under the above treaty provisions. Given the energetic efforts of the Indian Affairs Branch to improve the educational attainments of the Indian population, the general requirement of the treaties to provide educational facilities is more than adequately met. The only important treaty limitation thus would seem to be requirements for school facilities on each reserve when the Indians so desire. Treaties 8, 9, 10 and 11 which do not refer specifically to schools on reserves, or to the wishes of the Indians, thus do not limit federal policy. Treaties 1, 2 and 4 contain explicit provisions for a school on each reserve when the Indians so desire or are prepared for a teacher. The same promise is made in Treaties 3, 5 and 6 with the qualification that the school will be provided when Her Majesty's Government deems advisable. A similar promise is made in Treaty 7 with the difference that salaries for teachers rather than schools are promised, and the on reserve location of such teachers is implied rather than explicit.

It is possible to interpret such qualifying phrases "as to Her Government of Her Dominion of Canada may deem advisable" in a restrictive or liberal fashion. A liberal interpretation would lead to the conclusion that the promise of a school on the reserve was not qualified out of existence by such a phrase. A restrictive interpretation would lead to the conclusion that the promise of a reserve school could be overridden by the qualification. It seems reasonable to assume that the promise of a school on the reserve when the Indians so desire is rendered inoperative if the Indians consent to off reserve schooling for their children. A liberal interpretation would thus conclude that Indian consent to off reserve schooling was required under Treaties 1 to 7: a restrictive interpretation to the conclusion that such consent was only required for Treaties 1, 2 and 4. Whatever interpretation is ultimately found to be correct is perfectly compatible with existing Branch educational policy which rests on the obtaining of Indian consent to the movement of Indian children into provincial school systems regardless of their treaty status.

Three general points may be made in conclusion. (1) The present vigorous educational policies of the Branch are a response not to the treaties, but to a recognition of the role which education can play in the advancement of the Indian people. (2) While the movement of Indian children into the provincial school system is complicated by the denominational privileges embedded in the Indian Act, such privileges have only a statutory, not a treaty, basis. (3) The obtaining of Indian consent to the movement of Indian children into provincial schools is essential for psychological and political reasons regardless of the treaties.

Socio-Economic Matters: Agriculture

In most cases the Crown was committed to making a once for all distribution of farm animals, agricultural implements, and seed grain. Treaty 10 which states that "His Majesty agrees to furnish such assistance as may be found necessary or advisable to aid and assist the Indians in agriculture or stock-raising or other work" and Treaty 11 which states that "His Majesty agrees that, in the event of any of the Indians aforesaid being desirous of following agricultural pursuits, such Indians shall receive such assistance as is deemed necessary for that purpose" raise the possibility of treaty guarantees for continuing agricultural assistance for the Indians concerned. Whether the agricultural provisions of Treaties 1 and 2 should be construed as temporary or continuing cannot be clearly interpreted from the words used.

Thus in four cases there is a possibility that the agricultural provisions of the treaties possess a continuing significance as federal responsibilities. Speculation on this point does not seem to be useful. Under the British North America Act agriculture is, in any case, an area of concurrent jurisdiction and whatever interpretation is placed on the treaties would not, in itself, preclude the availability of provincial agricultural services and staff to Indians. We assume, therefore, that the treaties possess only marginal relevance to the evolution of a pragmatic division of function between federal and provincial officials in agriculture.

Socio-Economic Matters: Health and Welfare

The only treaty making specific mention of socio-economic matters other than education or agriculture is Treaty 6. That treaty states that "a medicine chest shall be kept at the house of each Indian Agent for the use and benefit of the Indians at the direction of such Agent". And "that in the event hereafter of the Indians comprised within this treaty being overtaken by any pestilence, or by a general famine, the Queen, on being satisfied and certified thereof by Her Indian Agent or Agents, will grant to the Indians assistance of such character and to such extent as Her Chief Superintendent of Indian Affairs shall deem necessary and sufficient to relieve the Indians from the calamity that shall have befallen them".[1]

We know of no legal case pertaining to the provisions of Treaty 6 which declares that steps shall be taken to relieve the Indians "from the calamity that shall have befallen them" in the event of pestilence or general famine. In general, in the absence of contrary judicial interpretation, we assume it is to be taken at its face value as a statement of general government policy whose implementation would be undertaken in practice for humanitarian reasons rather than due to treaty requirements.

It is possible to be somewhat more specific with respect to the medicine chest provisions of Treaty 6 which have recently been the subject matter for judicial interpretation. In an appeal from Magistrates Court the Saskatchewan Court of Appeal concluded that:

> . . . on the plain reading of the 'medicine chest' clause, it means no more than the words clearly convey: an undertaking by the Crown to keep at the house of the Indian Agent a medicine chest for the use and benefit of the Indians at the direction of the Agent. . . I can find nothing historically, or in any dictionary definition, or in any legal pronouncement, that would justify the conclusion that the Indians, in seeking and accepting the Crown's obligation to provide a 'medicine chest' had in contemplation provision of all medical services, including hospital care.[2]

The refusal of the Court of Appeal to extend the literal meaning of the words in Treaty 6 precludes the possibility in the absence of a reversal by the Supreme Court that the treaty requirement can have any bearing on the roles of the federal and provincial governments in the field of medical care or health.

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[1] See also the reports of the discussions preceding the signing of Treaties 8 and 10 in which the Treaty Commissioners indicated that medicine would be available to the Indians. The discussion preceding the former treaty indicated that the provision of relief and assistance in cases of actual destitution or in "season of distress" would be provided by the Government as a matter of general policy "without any special stipulation in the treaty . . . ."

[2] R. v. Johnston (1966) not yet reported. Italics in original.

A number of comments on the preceding discussion of the treaties will help to clarify the nature of our perspective and the general basis for our conclusions.

It is initially necessary to note the speculative nature of some of our statements about the significance of particular treaty provisions. In the last resort the determination of meaning is a task for the courts. When the wordings they may be called on to interpret are vague and imprecise, and when few or no judicial precedents are available, it is impossible to make categorical statements about some of the contents of the treaties. The hazards are especially great with respect to education, agriculture, liquor, and the pestilence and famine provisions of Treaty 6. Given the lack of precision in the wording of many of the treaty promises, it is evident that the judicial role of interpretation is possessed of a high degree of flexibility. It has been suggested to us that, for example, the medicine chest provisions meant that the Crown accepted the basic principle of providing medical services to Indians comparable to those received by Whites when the treaty was signed, and by extension at later points in time; that the agricultural provisions represent acceptance by the Crown of the basic principle of assisting Indians to become fitted for new economic pursuits as traditional ways of living were destroyed. This liberal approach can be contrasted with the narrow definition of the meaning of the medicine chest provision of Treaty 6 recently enunciated by the Saskatchewan Court of Appeal. The significance which may be attributed to the "outside promises" of the treaties further complicates the making of confident statements or predictions about what the treaties really mean, or what the courts will hold them to mean in specific cases. For the preceding reasons, it is evident that our statements about Indian rights pertaining to hunting and to a lesser extent fishing and trapping -- areas in which there are a number of court decisions -- possess greater validity than statements pertaining to such areas as education and agriculture.

The purpose of our brief investigation has been to attempt to establish in a general and tentative way the significance of the treaties for the federal and provincial governments in the Canadian federal system, and secondly to indicate the importance of treaty rights in comparison with the extensive array of services and benefits now routinely provided by governments to all the citizenry.

From these perspectives the following general points can be made. The basic effect of the treaties has been to provide the Indians concerned with modest annual payments, protect them in the exercise of certain traditional ways of exploiting their resources, provide certain vague assurances with respect to the liquor traffic, provide certain educational rights which are basically important only in relation to the location of schools, ill-defined rights to agricultural assistance in a few cases, and under Treaty 6 certain minimum medical and emergency relief rights. Thus the obligations imposed on the federal government by the treaties are marginal in relation to the responsibilities actually assumed by Ottawa, marginal in relation to Indian needs, and marginal when compared with the responsibilities assumed as a matter of course by the federal and provincial governments for the well-being of all Canadians. The main special obligation inherent in the treaties is for the federal government to undertake the management of Indian lands as long as reserves continue to play a role in the lives of the Indians for whom they were set aside. Even this function is not derived from the treaties as such because the constitutional allocation of "lands reserved for the Indians" to the federal government necessitates the performance of a reserve land management function for all reserves regardless of the treaty status of the resident Indians.

It is worth repeating that the rights and privileges guaranteed by treaty to some Indians are insignificant in relation to both Indian needs and the positive role played by modern governments. The economic base of Indian existence will continue to diverge from the traditional dependence on game, fish and fur, and reserve centred activities. The claims of a socio-economic nature founded on treaties are generally unimportant when contrasted with the role which governments have assumed for the non-Indian population.

The comparative unimportance of the treaties is equally apparent when notice is taken of what they do not include. Economic development, with the possible exception of agriculture in some cases, community development, local government, the system of dealing with Indian estates, taxation privileges, the process of enfranchisement, health and medical policy except for the "medicine chest" provisions of Treaty 6, welfare policy with the possible exception of the emergency relief provisions of the same treaty, and much of education policy are not included. In essence, the situation is that with only minor exceptions federal policy cannot be derived from the treaties. Indian status, therefore, even for treaty Indians is largely derived from the Indian Act rather than from the treaties.

The contemporary significance of the treaties may be summed up as follows:

(1) Treaty Indians possess certain rights not possessed by non-treaty Indians. The most important of these pertain to hunting, fishing and trapping.

(2) With the exception of those particular rights founded on treaties, the federal government has one basic set of programs applicable to all Indians regardless of their treaty status. Given the administrative requirement of uniformity and the ethical imperative of equal treatment, it could not be otherwise.

(3) Although the substantive effects of the treaties are minimal, they are symbolically very important to many Indians.

(4) The discrepancy between the relative unimportance of the treaties as determinants of government policy and Indian perception of the treaties as basic items in self-identity constitutes an important complicating factor in Indian government relations, and also confuses those relations. It helps to explain, for example, the suspicion with which many Indians regard changes in government policy, viewing them as possible assaults on their treaty rights. The recurrent necessity for both federal and provincial governments to explain that changes in policy will have no effect on treaty rights, even when there is no apparent connection between the treaties and the policy changes in question which would seemingly require explanation.

(5) As the terms of the treaties are often vague and ill-defined, they have constituted a constant source of friction between the Indians and the Indian Affairs Branch. In some cases, friction has been generated with the provinces because of a conflict between provincial policies and Indian treaty rights. This is most pronounced with respect to conservation and game management.

Thus far we have summarized the area of performance in which specific (i.e. per capita treaty payments) or general (i.e. reserve management) obligations are placed on the federal government because of the treaties or the British North America Act. It was noted that these obligations were comparatively minimal. Secondly, we have noted the limitations on federal legislative competence. Our general conclusion was that the limitations were also comparatively minimal. The conclusion, therefore, is that the federal government with only minor exceptions has a great deal of freedom in the determination of the responsibilities it will actually assume under the permissive grant of constitutional authority "Indians and lands reserved for the Indians" Section 91 (24) of the British North America Act. The response to this situation has been for the federal government to implement policies beyond those required by treaties or inescapably derivative of 91 (24), and on the other hand to refrain from the exercise of her authority in a number of areas in which legislation could have been enacted with constitutional support. In essence, the situation is that the federal government has done more than it had to, and less than it might have done.

The basic Indian policy of the federal government is found in the Indian Act. The Act is a comprehensive piece of legislation which defines who shall be considered an Indian, and the method by which Indian status can be given up. It contains detailed provisions dealing with the land basis of the Indian community, a system of local government, and special provisions relating to taxation, liquor, inheritance and education. Under Section 72 the Governor-in Council is empowered to make regulations pertaining to a variety of matters such as "the operation, supervision and control of pool rooms, dance halls and other places of amusement on reserves", and the "protection and preservation of fur-bearing animals, fish and other game on reserves". A person defined as an Indian is brought within the framework of a federal administrative system which applies the provisions of the Indian Act to 217,864 (1965) Indians and 2,267 reserves[1] scattered from coast to coast. As a consequence, a person of Indian status enjoys an unusually intense relationship with the federal government, and an unusually attenuated relationship with provincial governments.

It is necessary to emphasize that the attenuated relationship of Indians with provincial governments is only marginally derived from inescapable consequences of the treaties or the British North America Act. About one-half of the Indian population is not under treaty. Where treaties do exist, their provisions are not such as to inhibit provincial involvement except for traditional rights of hunting, fishing, and trapping, the land basis of the reserve system, and possibly but doubtfully, education and agriculture in some circumstances and the minimal health and welfare provisions of Treaty 6. Explicit constitutional limitations would seem to reduce themselves essentially to the prohibition of special provincial legislation dealing with Indians or Indian lands as such.

It is evident, therefore, that constitutional and treaty fetters to the movement of Indian communities into the provincial framework of laws and services are not of significant importance. As noted above in our discussion of limitations on provincial legislative competence, the basic limitation is the extent to which the federal government has made provision for Indians under the permissive grant of constitutional authority of Section 91(24). Such legislative activity by the federal government has the effect of rendering inapplicable particular provincial laws of general application which in the absence of such federal legislation would be applicable to Indians. In an important sense, therefore, the area of provincial competence represents a residual category, specifically those areas in which the federal government has refrained from devising its own legislation.[2] We have already noted that the legislative authority and the functional responsibilities assumed by the federal government are not, in the vast majority of cases, inescapable consequences of the treaties or the British North America Act. It thus becomes clear that the scope of the area within which the provincial governments are capable of enacting valid law which will apply to Indians depends largely on the extent to which Ottawa has exceeded its minimum obligations and undertaken responsibilities which are constitutionally proper although not mandatory.

What the federal government does or does not do is largely the result of its own discretionary determination of the ambit of its responsibilities.[3] For example, as noted earlier, there is no constitutional justification for the belief that Section 91(24) limited the federal government to legislating or providing services only for those Indians with reserve residence. Section 91(24) is indifferent with respect to the on or off reserve location of the Indians to whom federal Indian legislation and services shall extend. In fact, however, the federal government has displayed a consistent tendency to limit its policies to reserve-based Indians. The prevailing assumption has been that an Indian who established himself off the reserve in accordance with provincial residence requirements shall then become generally subject to the operation of normal provincial laws applied to non-Indians. For a number of purposes, therefore, an Indian who leaves the reserve and establishes off reserve residence is in effect moving from federal to provincial jurisdiction. In actual fact, the administration and policy of the Indian Affairs Branch have been overwhelmingly reserve oriented. The Indian Act, for example, specifically states that the education provisions contained in Sections 113 to 122 "do not apply to or in respect of any Indian who does not ordinarily reside on a reserve or on lands belonging to Her Majesty in the right of Canada or a province" (4.(3)). The same restrictions to the coverage of the Act also apply, "unless the Minister otherwise orders", to Sections 42 to 52 which contain provisions dealing with the Descent of Property, Wills, Distribution of Property on Intestacy, Ministerial powers pertaining to mentally incompetent Indians, and the administration of the property of infant children of Indians.

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[1] The figure for reserves includes 72 Indian settlements not classified as reserves.

[2] In order to assess the extent to which the federal government has occupied specific fields, it is necessary not only to examine the Indian Act, but also the regulations made under the authority of the Act. The following regulations, with the section of the Act granting the authority in brackets, are in effect as of August, 1966: Indian Estates Regulations (42), Indian Timber Regulations (57), Indian Quartz Mining Regulations (57), Indian Oil and Gas Regulations (57), Indian Loan Regulations (69), Indian Reserve Dog Regulations (72), Places of Amusement Regulations (72), Indian Health Regulations (72), Regulations Governing the Operation of Vehicles within Indian Reserves (72), Indian Referendum Regulations (72 and 96A), Indian Band Election Regulations (75), Regulations Governing Procedure at Indian Band Council Meetings (79), and Regulations re Disposal of Forfeited Goods and Chattels (101). Such regulations, due to the operation of Section 87, override provincial legislation. The effect of the traffic regulations is discussed in Staats, op. cit., pp. 51-2.

[3] We are not discussing here the political pressures, historical momentum, and constitutional conceptions which affect the content of the federal role. We are discussing the distinction between what Ottawa is inescapably required to do, what she is constitutionally permitted to do, and what she in fact does.

The Indian Affairs Branch has consistently acted on the assumption that for purposes of social welfare, Indians who have established off-reserve residence then become the responsibility of their new jurisdiction. The same policy has been followed with respect to responsibility for health, formerly by the Indian Affairs Branch, and since 1945 by the Northern and Indian Affairs Section of the Department of Health and Welfare.

There are exceptions to the reserve orientation of federal policy under the Indian Act. The intoxicant provisions of the Indian Act purport to regulate not only the liquor privileges of on-reserve Indians but also to provide mechanisms by which their off-reserve liquor privileges shall be regulated. Annual treaty moneys are payable to an Indian regardless of his place of residence. The growing number of placement officers in the Indian Affairs Branch employ has an obvious off-reserve orientation. Other examples can be provided to show breaches in the basic reserve orientation of the Branch, but these remain breaches of a general principle of federal policy.

Administrative considerations have had a major effect in inducing the Branch not to follow Indians off the reserve. It is difficult enough for the Branch to provide services to reserve Indians of a quality comparable to those offered by the provinces for non-Indians, without attempting to do likewise for individual off-reserve Indians in Vancouver, Toronto and Winnipeg. Further there has been an implicit assumption that the focus of Indian life was the reserve, and that the reserve was a training school for civilization. As a consequence, off-reserve residence has tended to carry an assumption that the integration process was proceeding satisfactorily and that the task of the Branch was ended. Then, too, there has been the obvious fact that the provision of differentiated services had to stop somewhere, and the boundaries of the reserve constituted a logical choice.

The discretion possessed by the federal government to determine the extent of its off-reserve responsibilities is part of a more general discretion to determine the degree of its own legislative and policy involvement with Indians. Within limits the federal government can determine the persons to whom its basic Indian policies will apply. Thus, the definition of Indian was tightened in the 1951 revision of the Indian Act, and there have been further amendments since, all of which have the effect of reducing or expanding the number of Indian status persons. The federal government also defines and controls the procedures by which Indian status is given up by a person seeking enfranchisement. Until 1960, the Indian Act provided for compulsory enfranchisement, a procedure which was never used, but which constituted a striking indication of the capacity of the federal government to limit its obligations.

An additional method by which the federal government can alter the extent of its obligations is by enacting proclamations under the authority of Section 4 (2) (a) and (b) of the Indian Act. The Governor-in-Council may "by proclamation declare that this Act or any portion thereof, except Sections 37 to 41, shall not apply to:

(a) any Indians or any group or band of Indians, or

(b) any reserve or any surrendered lands or any part thereof, and may by proclamation revoke such declaration."

While this section has not been widely used,[1] it provides an important potential element of flexibility in the Indian Act by which the applicability of the Act could be progressively relaxed for particular Indians or bands of Indians in order to bring them within the provincial framework of law and services.

In summary, there are four basic ways in which the federal government can alter the nature of its Indian responsibilities. (1) It can alter the content of its basic Indian policies; (2) It can define the persons to whom those policies will apply by altering the definition of the Indian status person, or changing the procedures for enfranchisement; (3) It can determine the circumstances in which Indian status persons will be subject to its policies with reference to their on-reserve or off-reserve location. To the extent that the federal government accepts a lesser responsibility for off-reserve Indians, it can effectively reduce its responsibilities by pursuing a vigorous policy of out-migration; (4) Finally, by proclamation the federal government can limit the applicability of the Indian Act, Sections 37 to 41 excepted, in particular cases. The federal government, therefore, has considerable discretion in determining the jurisdiction to which individuals look for the provision of particular services or the applicability of particular laws.

The Indian responsibilities assumed by the federal government are significantly greater than what is required under treaties or the British North America Act. The gap between what must be done and what is actually done represents the potential shrinkage of federal responsibilities beyond which either the British North America Act would require amendment and/or some of the provisions of the treaties would have to be changed, presumably by negotiations with the Indians concerned. As a consequence there is considerable scope for an enlargement of provincial concern for Indians, and a widespread extension of normal provincial services to Indians without encountering either treaty or constitutional problems. The question of what is possible differs, of course, from the question of what is desirable. Nevertheless in the real world of policy-making what is desirable is related to the difficulty of doing it. The essential fact is that with few exceptions it is possible to assess the most appropriate roles of federal and provincial governments on broadly utilitarian grounds because the barriers posed to alterations in such roles by the British North America Act or the treaties are minimal. The basic question is whether or not particular functions can be better performed by a federal clientele department or provincial functional departments.

It is necessary at this point to refer again to the possibility that there is a constitutional distinction between the applicability of provincial laws of general application to Indians on reserves and off reserves. The legal position is subject to differing interpretations, and the conclusion we have reached may not compel unanimous agreement.

Professor, now Judge, Laskin states:

> There is no doubt that parliament alone has authority to regulate the lives and affairs of Indians on a reservation and, indeed, to control the administration of a

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[1] Section 4 (2) (a) has been used four times, twice to exempt a band from the provisions of the Indian Act with respect to the number of band councillors, and twice to exempt a band from the provisions of Section 28 (1) of the Indian Act in order to increase the control and management of land on the reserve by the band council pursuant to Section 60. Section 4 (2) (b) has been used on five occasions to exempt the reserve or portions of the reserve from the liquor provisions of the Indian Act. In each case the exemption was designed to allow commercial enterprises to sell liquor.

> reservation; provincial laws are inapplicable on a reservation (save as they may be referentially introduced through federal legislation). . . .[1]

We feel that this assertion is based on a misinterpretation of Section 87 of the Indian Act. Laskin seems to be saying that the applicability of provincial laws to Indians on reserves depends entirely on Section 87. Our interpretation is that, apart from laws relating to "lands", which that section does not purport to cover, there is only a relatively small category of provincial legislation which would not apply to Indians without the provisions of that section. As we have argued earlier,[2] it is our position that there are two categories of provincial laws of general application: laws which would apply to reserve Indians regardless of Section 87, and those which apply because of it. The first category, which is by far the most important, would apply to Indians as provincial laws. The second category, which we feel has only limited effect, would become federal laws adopted by reference through the specific operation of Section 87.

While the ultimate determination of disputed points of law is a function for the courts, it should be noted that on grounds of policy the decision is of paramount importance. If our interpretation is wrong, then reserves become federal islands within provincial boundaries and the province qua province has no role to play with respect to reserve Indians. The possibility of integrating Indian reserve communities into the provincial framework of law and services then becomes either impossible or beset with such administrative complexity that the process would be markedly slowed down. The interpretation with which we differ implies that federal responsibility for on-reserve Indians is total, and that the constitutional position of Indians on and off the reserve markedly differs. We feel, on the contrary, that Section 91(24) deals with two separable subject matters, Indians and lands reserved for the Indians. The fact that federal policy has frequently been directed specifically to on-reserve Indians has reflected policy considerations, the reasons for which we have already noted, rather than implicit support for a particular constitutional position.

Our analysis, therefore, is based on the assumption, which we have submitted is not inconsistent with the course of judicial decision, and is eminently desirable on policy grounds, that most provincial laws of general application can and do apply to on-reserve Indians without thereby becoming federal laws which have adopted the provisions of provincial laws.

The development of Indian policy since Confederation has led to the involvement of the federal government in a number of particular fields normally under provincial jurisdiction. Most of the important functions now undertaken by the federal government -- welfare, health, community development, local economic development, local government, and education (with the possible exception of treaty Indians in some cases) -- are not inevitable developments from treaty or constitutional considerations. The relinquishment of these functions to the provinces would require no constitutional change, assuming of course that the provinces did not enact special Indian legislation in these areas. Within the existing constitutional division of powers, all of the above important and expensive functions could be performed by the provinces with respect to the Indian people in the same way as they are performed for their White neighbours. In brief, for reasons which historically have been products of a mixture of choice and necessity, Ottawa has been performing functions to which it is constitutionally entitled but which, with equal constitutional validity, could have been performed by the provinces.

The above point is important, and merits brief elaboration. The allocation of "Indians and lands reserved for the Indians" to the federal government does not explain or necessitate that Indians should receive from the federal government the impressive and extensive array of services that they now do. Conversely, it does not explain why the great bulk of these services are not being provided by the provinces. The reasons for the existing situation, therefore, are found in extra constitutional matters. This is generally true for all the major functions now being undertaken by Ottawa for Indians with the exception of the management of Indian lands. Transfer of the latter function to the provinces would require a constitutional amendment, because it would entail an actual change in the jurisdictional competence of the provinces.

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[1] Canadian Constitutional Law, p. 550.

[2] See above p. 228.

Land management apart, the main factor inhibiting shifts in the roles of federal and provincial governments is simply the attitudes of the participants who would have to agree to such a shift taking place. The attitudes themselves frequently reflect constitutional assumptions with which we disagree. It seems to us, for example, that there is a great deal of needless confusion over whether or not Indians are to be excluded from or included in numerous provincial programs. To cite only one instance, it is entirely a matter of provincial cabinet discretion whether a province mounts a community development program which includes Indians on reserves within its scope. If a province does so act, it is not assuming a responsibility which belongs to Ottawa. Conversely, there is no constitutional or treaty reason why Ottawa should have to pay a province for making such a program available to Indian reserves. The fact that this is almost universally assumed by officials in both federal and provincial governments indicates the deep hold of traditional assumptions that Indians are a federal responsibility.

An evaluation of Indian status and the consequences which have been attached to it by governments makes crystal clear that there is a remarkable degree of potential flexibility or "play" in the roles which have been, and in the future could be, assumed by either level of government. For the entire history of Indian administration this play has been exploited to the disadvantage of the Indian. The special status of the Indian people has been used as a justification for providing them with services inferior to those available to the Whites who established residence in the country which once was theirs. Whether Indians should receive the same rates of social assistance as non-Indians, whether they should have the franchise in federal or provincial elections, whether their children should be given the same services from Children's Aid Societies as Whites receive, whether Indians should have the same liquor privileges, whether Indian schooling should be segregated or integrated, whether Indian local governments should be considered as municipalities for the purpose of numerous provincial grant-aided programs -- these and numerous other queries share the common element of being policy questions unrelated in any inherent way to Indian status as such. These questions pertain to the consequences which are attached to Indian status. It should be noted that on the whole the consequences simply reflect what governments in their wisdom decide they shall be. Up until 1960, with exceptions to be noted below, Indian status was held to be incompatible with possession of the federal franchise. Since 1960 this particular consequence of Indian status has been eliminated by a change in federal policy which extended the franchise without interfering with Indian status. In general, it is in this area of the consequences which have been attached to Indian status that the most important changes have been, and will continue to be, made. The consistency with which Indian status was used in the past to deprive the Indian of services routinely provided to non-Indians is now breaking down. The process, however, is far from complete. As later sections of this report will show, there is still very serious discrimination against Indian people in terms of the services they receive from governments.

The following conclusions seem to follow logically from the preceding analysis:

(1) The treaties are of minor importance in determining the existing policies and programs of the Indian Affairs Branch. The rights to which Indians are entitled under treaty provisions bear little relation to their contemporary needs for massive programs of socio-economic change.

(2) The basic source for defining the policy of the federal government towards the Indian people is found in the Indian Act.

(3) A growing number of important federal programs are marginal or peripheral to the Indian Act. This is generally true of programs in the fields of welfare, health, community development, economic development, employment policy, the stimulation of local self-government, and the attempts to get the provinces more actively involved in service provision for Indians.

**(4) Many of the basic federal programs and policies found in (2) and (3) above represent voluntarily assumed roles which in most cases could have been undertaken by the provinces within the framework of the existing British North America Act and the treaties.**

**(5) Many of the consequences which governments have attached to Indian status have been the results of policy.**

**(6) The existing division of federal-provincial responsibilities pertaining to Indians is a reflection of policy decisions rather than constitutional or treaty requirements. For most purposes the barriers to a different pattern of federal-provincial responsibilities are attitudinal rather than derivative of the treaties or the British North America Act.**

**(7) A marked increase in the tempo of provincial involvement is perfectly compatible with the British North America Act and the treaties.**

**In conclusion, it will be useful to indicate some of the more striking general trends which emerge when a historical perspective is adopted:**

**(1) The courts have recently tended to a generous interpretation of Indian "rights", or where compelled to apply laws which seemed to be in violation of those rights they have indicated moral disapproval of the legislative action responsible for such violation.**

**(2) Increasing governmental concern for Indian "rights" is noticeable. The proposed Claims Commission is the most striking example.**

**(3) There has been a marked tendency to eliminate progressively the disabilities which formerly attended Indian status. Both federal and provincial governments have extended programs or legislation to Indians that were formerly incompatible with Indian status.**

**(4) The present Indian Act is a much less restrictive document than its predecessor. Certain restrictions on Indian activity contained in the old Indian Act were quietly dropped in the revision of 1951.[1]**

**(5) There is a noticeable trend to reduce the amount of ministerial and Governor-in-Council discretion in the Indian Act. The corollary of this is, of course, increased attention to self-government and Indian participation in decision making.**

**(6) A consequence of the above trends is that the incentives to give up Indian status via enfranchisement are receding. It is partly, of course, the failure of the enfranchisement process to reduce the size of the Indian status population which has made it difficult to justify the attaching of serious disabilities to possession of that status.**

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**[1] See Section 140 of the old Indian Act with its restrictions pertaining to potlatches, Indian attendance at festivals, stampedes, etc.**

# CHAPTER XIII

## INDIANS AND THE FRANCHISE[1]

The chequered development of Indian voting privileges defies easy analysis. The question of the compatibility of Indian status with voting capacity has intermittently occupied federal and provincial governments since Confederation.[2] The general, but not invariable, policy has been to deprive the Indian of the franchise in federal and provincial elections, or to hedge it with qualifications rendering its exercise unlikely for the majority of Indians. The question of the right to vote can properly be regarded as an aspect of status and as a determinant of political influence. The general prohibition of voting privileges denied Indians the possession of one of the central symbols of membership in the Canadian political system. Possession of the franchise would have symbolized Indian acceptance by non-Indians as political equals, and would have provided a focal point for identification with the political community. Its absence implied the reverse.

Equally important, the denial of the franchise deprived Indians of the most obvious instrument for exercising pressure - the suffrage. Even had Indians failed to fully exploit the power which possession of the franchise would have given them, the fact that they constituted potential sources of electoral support or opposition would have induced politicians and parties to pay more attention to their needs and demands. In the absence of the franchise, government responses to Indian needs reflected generosity and elite concern rather than responses to political pressures. The historical record of government treatment of the Indian population clearly indicates that this provides an inadequate impetus for the development of comprehensive programs of social amelioration and economic development.

Section 41 of the British North America Act declared that, "Until the Parliament of Canada otherwise provides" provincial laws with respect to the qualifications of voters for provincial elections would apply in federal elections. Under the authority of this section, provincial voting lists were used in federal elections until 1885. There were no special federal provisions pertaining to Indian voting status which accordingly was covered for both federal and provincial elections by the requirements of provincial electoral laws. In 1885 when federal legislation was finally passed covering electoral qualifications, Indians were excluded from the franchise in British Columbia, Manitoba and Ontario. Indians were not mentioned in the election laws of Quebec, New Brunswick and Nova Scotia. Under the federal legislation of 1885 federal election lists were established and off-reserve Indians received the vote on the same basis as non-Indians while Indians living on reserves East of Manitoba were given the right to vote subject to the possession and occupation of a distinct and separate tract of land with improvements of not less than $150.00. The federal action in extending the franchise to Indians was not unalloyed generosity, as the dependent position of the Indians was expected to lead to government support. The following election circular of 1887 is illustrative:

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[1] The descriptive material in this chapter is taken, almost in entirety, from Indian Affairs Branch files.

[2] There is no necessary connection between citizenship and the provincial franchise. Cunningham and A.G.B.C. v. Tomey Homma and A.G. Can. [1903] A.C. 151, stated: "Such right is not inherent in the respondent either as British born or as a naturalized British subject. It is a right and privilege which belongs only to those . . . upon whom the provincial legislature has conferred it." The same, of course, is true federally as the 1917 wartime franchise illustrated.

> To the Indians: The Queen has always loved her dear, loyal subjects, the Indians. She wants them to be good men and women, and she wants them to live on the land they have, and she expects in a little while, if her great chief, John A., gets into government again, to be very kind to the Indians and to make them very happy. She wants them to go and vote, and all vote for Dr. Montague, who is the Queen's agent. He is their friend and by voting for him every one of the Indians will please Queen Victoria.

No information is available on how many Indians met the electoral qualifications. However, historical records reveal that Indians in Ontario, Quebec, and the Maritimes exercised the franchise in the general elections of 1887, 1891 and 1896, in some instances at polling subdivisions established on reserves.

In 1898 this legislation was repealed and provincial voters' lists were again used until 1920. For this period Indian voting rights in federal elections once again followed the laws of the provinces. At the beginning of the period, they were barred in British Columbia, Manitoba, Ontario, New Brunswick and the Northwest Territories, while the electoral laws of Quebec, Nova Scotia and Prince Edward Island did not specifically mention Indians. However, the Quebec Election Act of 1909 and the Prince Edward Island Election Act of 1913 disqualified Indians living on reserves from voting in provincial elections. By the time federal laws were re-introduced in 1920, Indians were excluded in British Columbia, Alberta, Saskatchewan, Manitoba and Quebec. Ontario allowed Indians who had served or were serving in the Armed Forces to vote as did Prince Edward Island for both councillors and assemblymen. New Brunswick allowed Indian members of the Armed Forces who had been granted the federal franchise under the Military Voters Act of 1917 to vote. There was no exclusion in Nova Scotia.

In 1920 qualifications for voting were again defined by federal legislation and Indians ordinarily resident on a reserve were barred except those who had served in the Great War. This disqualification was continued in the Act of 1934, which like its predecessor did not contain any exclusion of off-reserve Indians from the franchise. The Act of 1938 again disqualified Indians, except veterans, who were ordinarily resident on a reserve, and excluded off-reserve Indians who received any annuity or other benefit under any treaty with the Crown. This latter procedure followed the Indian off the reserve and penalized him for accepting compensation rightfully his as payment for surrender of Indian lands. The Dominion Elections Act, 1938, as later amended, Section 14(2) (i) also disqualified

> every person who is disqualified by reason of race from voting at an election of a member of the legislative assembly of the province in which he or she resides, and who did not serve in the military, naval or air forces of Canada in the war of 1914-18; or in the war that began on the 10th day of September, 1939.

In 1944 veterans of World War II were given the right to vote, and in 1948 the wives of veterans of both World Wars received similar rights. By amendments to the Canada Election Act, 1950 and the Indian Act, 1951, Indians living off reserves were given the vote, and the rights of Indian veterans and their wives retained. However, the bulk of the Indian population, those ordinarily resident on reserves, were required to waive their statutory right to exemption from taxation on or in respect of personal property held on the reserves before they could exercise the franchise. Further amendments in 1951 gave the vote to Indians who had served on active service in the Canadian Forces since the 9th day of September, 1950, and to their wives.

The groping and hesitant steps to extend the franchise to Indians were partially related to an absence of Indian consensus of the desirability of any change in their status as it pertained to voting. The issue was raised by a number of spokesmen before the 1946-48 Joint Committee. An analysis by the Indian Affairs Branch of these representations came to the conclusion that the majority of Indian bands who expressed themselves on the matter were opposed to voting. Thirty-four Indian tribes, bands, and/or reserves stated that they did not desire the right to vote as compared to sixteen who did wish it. The Branch estimated that spokesmen for 12,860 desired the vote, while spokesmen for 17,022 were opposed.

Opposition to the vote was grouped into four main categories:

1. Because it was felt to be the first step towards taxation.
2. Because it was considered more important to first know how to make an adequate living.
3. Because certain tribes honestly and candidly admitted they did not understand politics or politicians and felt that instruction would have to be given to explain "what the vote is about".
4. Because it was regarded as a trap to lead the treaty Indians astray.

Indians who desired the vote "almost without exception emphasized that the right to vote should be granted without any of their present privileges being removed". Generally they tended to emphasize the anomaly of their existing status whereby they had to pay certain taxes, and were liable for military service and yet did not have the suffrage.

While deprivation of voting rights partially reflected a lack of Indian consensus as to the desirability of such rights, it is impossible to escape the conclusion that the fear and confusion which affected Indians were directly related to the ambiguity of government policy. In the first place, there was an inevitable verbal confusion between the franchise and enfranchisement. The latter was a process whereby the Indian renounced all aspects of Indian status and became, legally, as other Canadians receiving, among other things, the franchise. This automatically coupled the franchise with loss of Indian status in the minds of many Indians, a price they were unwilling to pay. More generally, the absence of the franchise had historically been explained in terms of its incompatibility with Indian status. The general rule from 1920 until 1950 was that Indian status was compatible with the franchise only as a reward for military service. Until all restrictions were finally removed in 1960 the government consistently coupled the retention of certain privileges, founded either on treaty, or the Indian Act, with exclusion from the franchise.

The 1948 Joint Committee Report, Recommendation No. 5, had stated:

> That voting privileges for the purpose of Dominion Elections be granted to Indians on the same status as for electors in urban centres . . . [the reasons were] . . . Many Indians who do not have the right to vote at Dominion Elections do pay taxes on income earned away from the reserve, together with sales tax, gasoline tax, excise tax, etc. This is taxation without representation. It is the opinion of your committee that it would encourage Indians, particularly the younger ones, to interest themselves in public affairs if they were given the privilege already recommended. Your committee is further of the opinion that the public generally would be given a better appreciation of Indian affairs.

Although the committee had not suggested any restrictions on the granting of the vote, the legislation introduced in 1950-51 did contain restrictions which once again illustrated the belief that the coexistence of Indian status and the franchise was not possible.

This was the basis of the federal government's policy in 1950 when the Dominion Elections Act, 1938, was amended to allow voting rights to Indians who had signed a waiver of exemption under the Indian Act from taxation on and in respect of personal property prior to the execution of a writ of election. The legal implication of this was described as follows:

> Execution of the waiver does not affect Indian treaty rights; it does not confer general enfranchisement or alter Indian status in any way except as to the exercise of the franchise, and exemption from taxation on personal property held on a reserve which, it may be mentioned, includes salaries and wages and other income earned on the reserve. Apart from these considerations, an Indian executing the waiver remains subject to the Indian Act and any other legislation with respect to Indians. According to our understanding, income received off the reserve, even if the Indian lives on the reserve, is subject to income tax and other taxes. Such income, therefore, would not be affected in any way by the execution of the waiver. It should be noted . . . that once the waiver has been executed there is no provision for cancelling it.

The government's explanation of this policy was described by the Honourable Walter Harris, Minister of Citizenship and Immigration. He stated that Indian tax exemptions were not provided for by treaty, but were simply statutory exemptions based on the Indian Act. As a result, they were a privilege rather than a right.

> We provided that it was entirely a matter of their own choice, if they felt they were losing certain rights they had, which were more valuable than exercising the vote in the federal elections, they should have the right to make that choice; and we have provided that the Indian does not have to vote if he does not want to do so, and, therefore, we are continuing the advantage of this tax exemption in the Indian Act.
>
> Alternatively if he wishes to vote he may do so on precisely equal terms with non-Indians; that is, without enjoying the tax exemption of this section; and we think that subsection (2) of this section and the amendment to Section 15 of the Dominion Elections Act has that result; so that the Indian now has lost nothing that he had before if he does not vote . . [The Indian, said Harris,] can make his choice as to the advantages of voting or not voting.[1]

Thus the provision for waiver of exemption was explained in part on the grounds that the Indians should not be placed in a preferred position to non-Indians which would be the case had they been given equal rights to vote and still retained freedom from taxation.

Few Indians took advantage of the opportunity to acquire the franchise by waiving their exemption from taxation. Up to 1960 only 122 Indians out of an estimated 60,000 adult Indians residing on reserves had availed themselves of this opportunity, and 78 of them were from the Williams Lake Agency in the Electoral District of Kamloops.[2] The scanty Indian response is especially remarkable when it is noted that, based on Indian Affairs Branch estimates, only about 3 per cent of the Indians ordinarily resident on reserves earned sufficient income to enter a taxable income bracket.

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[1] Special Committee Appointed to Consider Bill No. 79 An Act Respecting Indians, Minutes of Proceedings and Evidence, No. 8, April 30, 1951, pp. 269-70.

[2] The general breakdown was as follows: 101 in B.C., 2 in Saskatchewan, 1 in Manitoba, and 18 in Ontario. Of the 101 in B.C., 21 were from the Yukon Agency in the electoral district of Skeena, and 78 from the Williams Lake Agency. Out of the 18 waiving the exemption in Ontario, 13 were from the Christian Island Agency in Simcoe East.

By 1960 approximately one in four Indians of voting age had the vote. The Branch estimated that 20,273 Indians out of 79,600 were eligible. Eligible voters were made up of the 122 Indians who had executed waivers, 7,100 veterans and their wives,[1] 3,051 adult Indians in the Yukon and the Northwest Territories,[2] and some 10,000 Indians who were ordinarily resident off their reserves.

For a number of reasons the existing restrictions on the franchise were becoming increasingly unacceptable.

1. Existing methods of acquiring the franchise -- either by enfranchisement or by a waiver of tax exemption -- only made an insignificant impact on the bulk of the Indian community. Indians living on reserves had not come forward in any number in seeking the right to vote under existing legislation. The existing loopholes for exercise of the franchise also created serious anomalies in that some of the least acculturated Indians in Canada in the James Bay area of Quebec and Ontario and also in the Northwest Territories had the right to vote because they did not live on reserves, while, on the other hand, the more acculturated southern Indians living on reserves were almost all denied the vote. Further anomalies were created by the fact that nearly 60 per cent of the Indians had acquired the provincial franchise without any conditions attached. It was also felt that Indian experience in provincial elections, and the fact that the majority of the band councils now used the elective system invalidated the argument that Indians were not ready for the vote either because of lack of education or unfamiliarity with matters outside their reserves. The Indian Affairs Branch felt that in areas where the provincial franchise had been extended, opposition to the federal franchise was diminishing.

2. Throughout the fifties, Indians had been increasingly asking for the franchise free from existing restrictions. The Indian Affairs Branch felt that unconditional extension of the vote was "in keeping with the desire of the majority of the Indians".[3]

3. Throughout the fifties, there was a growth of public interest in Indians. At the time the new legislation was enacted a major investigation of Indian problems was being undertaken by a Joint Committee of the Senate and the House of Commons -- the second such investigation since World War II.

4. On grounds of principle, it did not seem consistent with generally accepted democratic assumptions that some Canadian citizens should be in effect prohibited from exercising the basic democratic right of helping to elect their representative in parliament. By the end of the fifties discrimination on ethnic grounds was becoming indefensible. In

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[1] Of this number, 2,872 qualified as a result of World War I service, 3,875 as a result of World War II service and 443 as a result of service with the special force in the Korean War.

[2] These Indians were eligible because reserves had not been allotted to them.

[3] From February 28 to March 3, 1951, a conference was held in Ottawa by the Minister of Citizenship and Immigration with representative Indians and officers of Indian associations from all parts of Canada in order to discuss the provisions of Bill 79 to revise the Indian Act. At that time the delegates recommended that voting privileges for Indians should not be conditional upon signing a waiver of exemption from taxation. It was suggested that some consideration should be given to amending the Dominion Elections Act in order to do away with the waivers. At a similar meeting held in Ottawa in October 26-28, 1953, a majority of the Indian representatives recommended that consideration be given to allowing the Indians to vote without the necessity of executing a waiver. However, two of the seventeen representatives present were opposed to an extension of the voting privileges.

his speech in the Commons, January 18, 1960, Prime Minister Diefenbaker stated that the amendment "will remove in the eyes of the world any suggestion that in Canada colour or race places any citizen in an inferior category to other citizens of the country".

These circumstances and pressures, stimulated by the high value placed on civil liberties by the Prime Minister of the day, the Honourable John G. Diefenbaker, led to the unconditional extension of the franchise in 1960 to the approximately 60,000 Indians who were excluded by previous legislation.[1] This long delayed step in the direction of formal political equality meant the final defeat of a consistent federal policy that, in the absence of military service, Indians had to give up certain aspects of their status, either by becoming enfranchised or by signing a tax waiver, in order to gain a right that other Canadians automatically received on reaching voting age. Up until 1960 the federal government diminished the significance of existing Indian rights and privileges by using their existence to deny the granting of a completely unrelated right. The assumption that Indian status was incompatible with the possession of the franchise meant that its advantages were dwarfed by the disadvantages consequent on a lack of political influence.

It is highly significant that many Indians voiced objections to the extension of the franchise, while others were at least mildly apprehensive that the move might affect their rights. The basic fear of many was that the vote was the beginning of an attack on their treaty rights. Spokesmen for Indians pointed out that since Indians had been told for decades that the franchise was incompatible with their Indian status, it was scarcely surprising that they were suspicious of a sudden reversal of federal policy which implied their complete compatibility.

Opposition to an extension of voting privileges was particularly pronounced among certain elements of the St. Regis Indians and the Six Nation Indians of the Grand River bands in Ontario. Spokesmen from these groups claimed that as allies of Canada and members of a separate nation, they were not Canadian citizens and were not able, therefore, to vote in Canadian elections. This opinion was expressed by the Hereditary Chiefs of the Caughnawaga Band, Quebec, at the 1947 Session of the Joint Committee, as follows:

> We, the Six Nations Indians, by our international treaty are allies of Canada and Commonwealth. Therefore, we do not desire to be governed, or to be considered eligible to vote for any dominion or provincial elections. Therefore, we have no interest and never will be interested in a vote for any other form of government, except our own Six Nations government.[2]

At a meeting of the St. Regis Band Council on May 6, 1963, when an attempt was made to induce a councillor who had voted in the recent Ontario provincial election to resign, a circular was distributed by the International Committee of Mohawk Arts and Traditions, which stated:

> When the Indians vote, they can no longer be a Sovereign Nation as they automatically become Canadian citizens and British subjects . . . The REDMAN is morally obliged not to vote in the federal and provincial elections . . . It is to be deplored that a covey of irresponsible Redmen, sick with racial inferiority complex, shall flock to the polls and give up their National Identity and Sovereignty forever".

One Indian correspondent who deplored the granting of the vote on the grounds that it constituted an attempt to remove Indian privileges, buttressed his contention by a statement from the Honourable Charles Power in Hansard in 1933:

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[1] The unconditional extension of the franchise had the effect of cancelling the waivers of tax exemption for the small numbers of Indians who had acquired the vote in this manner.

[2] Joint Committee, 1947, p. 1710.

> The [illegible] has inherited certain privileges; he has become a ward of the government. He is not allowed to vote, presumably on the principle that there should be no taxation without representation. We say to him, however, "So long as you do not vote and do not become an ordinary citizen, we will allow you to carry on as a ward of the government". Are we going to force him to vote? Are we going to take away from him the privileges which he has acquired traditionally and historically?[1]

The allegation that the franchise was related to the disappearance of treaty rights was refuted by the Indian Affairs Branch which pointed out that there was no relation between the treaties and the vote as voting was not mentioned in any of the treaties. The Branch insisted that there was no legal basis for any fears of loss of rights as the conferring of the vote did not imply any loss of status. On the contrary, it was emphasized that the extension of the franchise should be correctly regarded as the conferring of an additional right which most Indians had not previously enjoyed. The Branch felt that the most effective assurance to the Indians would come from the demonstrated fact that those who did participate in elections did not lose any rights as a result.

## The Provincial Franchise

In general, Indian voting rights in the provinces have parallelled the federal situation. In two periods, of course, 1867-1885, and 1898-1920, provincial qualifications for voters were used for federal elections. By 1885 Indians were excluded from the franchise in British Columbia, Manitoba and Ontario. By the end of the century New Brunswick had added a specific prohibition. In the pre-war period Quebec and Prince Edward Island respectively enacted legal barriers to Indian exercise of the suffrage. Alberta and Saskatchewan, established as separate provinces in 1905, barred Indians from the franchise in the early years of their existence. Only in Nova Scotia have provincial electoral laws consistently maintained no specific legal exclusion of Indians from the franchise. The actual position in Nova Scotia throughout the period when no specific statutory exclusion existed is not completely clear. It appears that in some cases Indians were not considered part of the electorate, perhaps due to the varying assumptions which governed registration in various localities. There is, for example, evidence that Indians in the Cape Breton area 'first voted' in the provincial election of 1958.

Until the emergence of a new trend in the years after World War II Indians were generally excluded from the provincial franchise. There were, however, important differences in the definition of Indians covered by the legal exclusion. The following examples illustrate the complexity of the legal basis of Indian exclusion. In 1887 the general exclusion of Indians in Ontario was modified by allowing enfranchised Indians to vote, as well as Indians or persons with part Indian blood "who do not reside among Indians, though they participate in the annuities, interest, moneys and rents of a tribe, band or body of Indians . . ." where there was a voters' list. The New Brunswick exclusion of 1889 excluded Indians, lunatics, inmates of poor houses or charitable institutions, and prisoners with criminal offences. In 1891 Manitoba excluded "Indians or persons of Indian blood receiving an annuity or treaty money from the Crown or who have at any time within three years prior to the said date received such annuity or treaty money . . ." The Alberta exclusion of 1909 referred to "all persons of Indian blood who belong or are reputed to belong to any band or irregular band of Indians . . ." The British Columbia exclusion of 1920, which also excluded "Chinaman, Japanese, (and) Hindu" referred to "any person of pure Indian blood, and any person of Indian extraction having his home upon or within the confines of an Indian reserve . . ."

In general, the above indicates that throughout the period of general Indian exclusion from the provincial franchise, there were loopholes based on residence, 'blood', way of life (such as not living among a band of Indians), which allowed some Indians to vote in provincial elections.

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[1] House of Commons Debates, Feb. 21, 1933, p. 2315.

Between World War I and the late 1940's the only significant change in provincial election laws as they affected Indians was the inclusion of Indian veterans, and in some cases their wives, on provincial voting lists. After World War I, Ontario and Prince Edward Island allowed Indian veterans and members of the Armed Services to vote. After World War II this provision was extended by British Columbia, Saskatchewan, Manitoba, Alberta, and New Brunswick.

Full franchise provisions have now been extended in the provinces as follows: British Columbia in 1949, Manitoba in 1952, Ontario in 1954, Saskatchewan in 1960, New Brunswick and Prince Edward Island in 1963, and Alberta in 1965. Indians have always had the vote in Nova Scotia and in Newfoundland since its entry into Confederation in 1949. They have always had the vote in the Northwest Territories and they acquired the vote in the Yukon in 1960. Indians on reserves or on land held in trust for them in Quebec may not vote in the elections of that province.

As with the federal franchise there was some suspicion, hostility and fear displayed by Indians at the prospect of receiving the provincial franchise. In several cases, at the request of provincial officials, the Indian Affairs Branch assured Indians that the changes in provincial election laws would in no way affect their treaty and other rights.

A number of important general points emerge from the preceding account of the history of Indian voting rights:

1. The fact that for almost a century the great majority of Indians were denied the franchise is a striking indication of a tenacious and durable assumption that they did not constitute an integral part of the Canadian community.

2. The non-Indian attitude that Indians were outside the Canadian community was shared by the majority of Indians themselves who displayed little interest in their inferior political status, and in some cases were hostile to the receipt of voting privileges.

3. The grossly inadequate attention and services received by Indians in this period is partially explained by their inability to influence federal and provincial legislators and cabinet ministers by the use of the vote.

4. The federal government has moved from a position where it asserted that the franchise and Indian status were incompatible to a position where the franchise is completely compatible with all aspects of Indian status, including tax privileges. If some Indians were initially confused, and in some cases still are, about the impact of the franchise on their Indian status, the reason is partly to be found in the history of federal policy.

5. The separation of the question of voting privileges from other aspects of Indian status found in treaties and the Indian Act is part of a general change from a position where the possession of Indian status justified the exclusion of Indians from a range of rights and privileges provided other Canadians to a position where Indian status will confer upon Indians certain supplementary privileges in addition to the general category of rights and privileges available to non-Indians.

6. It is noteworthy that provincial governments in the post-war period led the way in extending voting privileges to Indians. Four provinces, British Columbia, Ontario, Manitoba and Nova Scotia allowed Indians to vote before the federal government extended the federal franchise to Indians.

7. The virtually complete elimination of voting restrictions reveals the development of beliefs that Indians are now members of the political community of Canada.

8. There is a snowball or imitation effect in the response of governments in the federal system to Indians. This is revealed by the tendency of governments to move in the same direction with respect to the franchise. While this may largely reflect similar changes in the values of decision makers or in the communities to which they are responsive, it is clear that an important variable is what is occurring elsewhere in the federal system.

# CHAPTER XIV

# INDIAN LOCAL GOVERNMENT

## The Formal Picture

The preceding chapter has indicated that in the post-war years there has been a dramatic change in the political rights available to Indians as individuals. This change in status, although belated and received with some suspicion by many Indians, has been an important factor in increasing government awareness of Indian needs, and in symbolizing the political equality of Indians and non-Indians. The next, and more difficult, step involves extending to Indians political control over their local affairs. Regrettably, the introduction of change in this area cannot be successfully accomplished simply by legislative action, although that too will be required.

The complications which attend Indian status are particularly pronounced in the area of local self-government. The problem, simply defined, is the relative lack of formal self-governing institutions in Indian communities. At the local level most Indian communities have only the most rudimentary control over their own collective futures. It should also be noted that it is only at the local level that Indians can gain "independence". Small numbers, geographic diffusion and a lack of the economic and other resources required for political viability preclude the possibility of an independent Indian nation-state being created to satisfy any Indian aspirations that there might be. The best Indians can hope for is the limited control and autonomy available to small communities within a larger society, plus sympathetic consideration of their common and special needs by higher levels of government. The importance which should be attached to rapid steps in the direction of local autonomy, therefore, reflects the fact that self-government for Indians can be attained at no other level. If the change is minute compared with the national independence sought and obtained by African and Asian peoples formerly subject to colonial rule, it will nevertheless serve to eliminate one of the most decisive differences between Indians and non-Indians in Canada.

Indian status denotes not only a legal but a political condition. The legal and organizational framework for White institutions of local government is a matter of provincial jurisdiction under Section 92, Head 8 of the British North America Act, "Municipal Institutions in the Province". Numerous provincial services which intimately affect the daily lives of the people, such as health welfare, and education, are provided through local government instrumentalities which frequently receive heavy provincial financial support. Historically, Indians have been located outside this provincial structure of local government. Their community existence has been characterized by a century of dependence on the federal government for financial support and by the direct administration of matters of local concern by officials of the Indian Affairs Branch. The field offices of the Indian Affairs Branch at the agency level have provided Indians with services similar to those received by Whites through a complicated relationship of interdependence between local institutions and provincial governments. It is commonly alleged that the paternalistic provision of services with only a modicum of Indian participation has contributed to widespread civic apathy in Indian communities. While this system of administration may have been historically necessary and useful, it is now generally recognized to be inappropriate to contemporary needs which stress Indian participation in the local decisions which affect them. The basic problem, then, is to find mechanisms and instrumentalities which will allow Indian communities to increase their control over local affairs. Steps in this direction were taken in the revised Indian Act of 1951 which provided for a greater transfer of responsibility to band councils. In the subsequent decade and a half there has been some progress towards the goal of local self-government. However, it is clear that there is still considerable distance to go. In particular, very little has been done to place bands within the local government framework of the provinces. For years the band was considered to be the exclusive responsibility of the federal government, and this attitude has only begun to change in the past decade. Provincial governments in a small way are beginning to treat bands as municipalities for their grant-aided programs. However, bands are still outside the great bulk of provincial programs which operate through municipal institutions.

## Self-Government and the Indian Act

The Indian communities for whom local self-government is sought are the resident members of legally defined groupings (bands) of Indian status persons who reside on land (reserves) held in trust for the group. Bands are provided with band councils selected either "by custom" or in accord with electoral provisions laid down in the Indian Act. The council is the official recognized body with which the Indian Affairs Branch deals in matters relating to band affairs. The council is also a local government body, roughly equivalent to a rural municipality, which possesses certain powers of self-government. The Act provides opportunity for a wide range of by-law activity pertaining to local matters, and bands may be granted the power to raise funds through taxation or licensing and to spend such moneys. The Act thus constitutes a vehicle for band self-government.

The band council is the formal instrument of local government in the Indian community. There are two main divisions of Indian chiefs and councillors, those who are chosen "according to the custom of the band", and those elected in accordance with the provisions of Sections 73-8 of the Indian Act. By the provisions of Section 73 the elective system can only come into effect by order of the minister. The majority of bands now select their councillors and chief by the electoral system established by the Indian Act.

It is Branch policy to extend the provisions of Section 73 to an increasing proportion of Indian bands and field officials are encouraged to educate Indians in the advantages of the election provisions. However, care is taken to ensure that no band is placed under the provisions of Section 73 unless a request is received from the band "and the wishes of a good majority of the voting members have been obtained". It should be noted that in some cases the election provisions cannot be formally applied to a band, as a band must have a reserve or reserves and not all bands are so situated. It should also be noted that some of the bands which formally operate under "custom" carry out their elections in a manner similar to that established under Section 73 of the Act.

The following table shows the number of bands who have formally accepted the elective system and those who still remain under custom.

## BAND COUNCILS - ELECTIVE SYSTEM - CUSTOM

| Province or Territory | Elective System As of July 31/66 | Custom | Elective System by Year Up to July 31/66 | |
|---|---|---|---|---|
| Prince Edward Island | 1 | - | 1951 | 111 |
| Nova Scotia | 11 | 1 | 1952 | 152 |
| New Brunswick | 14 | 1 | 1953 | 35 |
| Quebec | 14 | 27 | 1954 | 5 |
| Ontario | 88 | 17 | 1955 | 4 |
| Manitoba | 44 | 7 | 1956 | 6 |
| Saskatchewan | 47 | 20 | 1957 | 14 |
| Alberta | 28 | 13 | 1958 | 10 |
| British Columbia | 134 | 57 | 1959 | 8 |
| Yukon | - | 12 | 1960 | 9 |
| Northwest Territories | - | 15 | 1961 | 3 |
| | | | 1962 | 7 |
| | | | 1963 | 1 |
| Totals | 381 | 170 | 1964 | 10 |
| | | | 1965 | 6 |
| | | | 1966 | 0 |
| | | | | 381 |

The franchise extends to all band members over 21 who are "ordinarily resident on the reserve". Chiefs and councillors of bands brought under Sections 73-8 hold office for two years. Unless otherwise ordered by the minister, council consists of a chief and one councillor for every 100 band members within a range of a minimum of two and a maximum of twelve councillors. The chief may be elected by a majority of the band, or by a majority of the votes of the elected councillors of the band from among themselves. Councillors are elected at large except where the majority of the electors of a band "who were present and voted at a referendum or a special meeting held and called for the purpose . . . have decided that the reserve should, for voting purposes, be divided into electoral sections and the minister so recommends" to the governor-in-council who may divide the reserve into not more than six electoral sections containing an approximate equality of eligible electors. Only qualified persons whose nomination is moved and seconded by persons who are themselves eligible to be nominated may be nominated for the office of chief or councillor.

In a formal sense the powers of council depend on the following:

(1) The extent to which council uses by-law powers granted to it under the Act in Section 80, and the extent to which the minister exercises his prerogative under Section 81 of disallowing the by-law within 40 days of having received a copy which must be forwarded to him within 4 days after it is made;

(2) The extent to which the governor-in-council declares a band to have reached "an advanced stage of development" and therefore to be brought under Section 82 which grants the band power to enact money by-laws;

(3) Whether or not the band has been brought under Section 68 of the Act which allows a band "to control, manage and expend in whole or in part its revenue moneys"; and

(4) Whether or not a band has requested and received, under Section 60 of the Act "the right to exercise such control and management over lands in the reserve occupied by that band as the governor-in-council considers desirable". This section, which has significant potential for increasing Indian participation in a key area of decision making, will not be discussed further in this chapter as it has only been employed on two occasions, both times in 1965, with respect to the Alexander Band (Alberta) and the Moravian of the Thames Band (Ontario).

## Section 80

This section gives the band council powers to pass by-laws for the regulation of certain activities, and for the performance of certain local government functions provided that such by-laws are not inconsistent with the Act or any regulations made thereunder. These by-law powers pertain to such matters as public health, traffic regulation, observance of law and order, the construction of local works, and many others. In the decade and a half since the passage of the revised Indian Act in 1951, there has been a slow accretion of by-laws under this section to a total of 347 by July 31, 1966.

## Section 82

This section provides that where the governor-in-council declares that a band has reached "an advanced stage of development" the council may, subject to the approval of the minister, pass money by-laws dealing with the raising of money by taxation, licensing, and "the raising of money from band members to support band projects", the expenditure of band moneys to defray expenses, pay band officials, chiefs and councillors and with respect to matters ancillary to the preceding. In practice, bands requesting the application of Section 82 are granted such application. No bands have received authority under this section in Yukon, Mackenzie, Alberta, Manitoba, Nova Scotia and Prince Edward Island. The increasing use of Section 82 up until July 31, 1966 is shown by province and by year in the following table.

BANDS UNDER SECTION 82 OF THE INDIAN ACT - UP TO JULY 31, 1966

| Province | Band Totals | 1952 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B.C. | 191 | 2 | 2 | 4 | 7 | 3 |  | 1 | 1 |  | 1 | 1 | 3 | 2 | 1 | 1 | 29 |
| Sask. | 67 |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  | 1 |
| Ont. | 105 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  | 2 |
| Que. | 41 |  |  |  |  | 1 |  |  | 3 |  |  |  |  |  |  |  | 4 |
| N.B. | 15 |  | 1 |  |  |  |  |  |  |  |  |  |  | 1 |  |  | 2 |
| Other | 132 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Totals | 551 | 2 | 3 | 4 | 8 | 4 | - | 1 | 5 | - | 1 | 1 | 4 | 3 | 1 | 1 | 38 |

To date the use of Section 82 has been largely confined to projects which involve the levying of rates for, and construction of waterworks. The approval of the minister is usually contingent on the band carrying out the financial operations of collecting, banking and spending. Also Indian Affairs Branch engineers check the adequacy of proposed plans of construction, and trust section accountants investigate past financial competence before approval is given.

By-law activity under Sections 80 and 82 is summarized below:

## BAND COUNCIL BY-LAWS SECTIONS 80 AND 82 - AS OF JULY 31, 1966

| Number by Province | Section 80 | Section 82 | Total | Number of Bands Passing By-Laws |
|---|---|---|---|---|
| Prince Edward Island | - | - | - | |
| Nova Scotia | 4 | - | 4 | 3 |
| New Brunswick | 12 | - | 12 | 5 |
| Quebec | 36 | 7 | 43 | 10 |
| Ontario | 91 | 2 | 93 | 33 |
| Manitoba | 25 | - | 25 | 16 |
| Saskatchewan | 9 | 2 | 11 | 6 |
| Alberta | 43 | - | 43 | 17 |
| British Columbia | 127 | 50 | 177 | 47 |
| Totals | 347 | 61 | 408 | 137 |

| Types of By-Laws | |
|---|---|
| Disorderly Conduct | 63 |
| Garbage Disposal | 42 |
| Traffic | 67 |
| Weed Control | 23 |
| Conduct of Hawkers | 22 |
| Water Supply | 39 |
| Licensing Businesses | 24 |
| Pounds | 39 |
| Sanitation | 19 |
| Fish and Game | 30 |
| Expenditure of Moneys | 10 |
| Fencing | 4 |
| Electric Power | 5 |
| Zoning | 3 |
| Appointment of Band Officials | 11 |
| Raising Money | 3 |
| Other | 4 |
| Totals | 408 |

| Number of By-Laws by Year | |
|---|---|
| 1952 | 15 |
| 1953 | 17 |
| 1954 | 47 |
| 1955 | 36 |
| 1956 | 38 |
| 1957 | 23 |
| 1958 | 34 |
| 1959 | 31 |
| 1960 | 20 |
| 1961 | 32 |
| 1962 | 23 |
| 1963 | 21 |
| 1964 | 29 |
| 1965 | 36 |
| 1966 | 6 (up to 31/7/66) |
| | 408 |

### Section 68

The 1959-61 Joint Committee of the Senate and the House of Commons recommended "that it be the definite policy of the government to move towards more self-governing bands and to this end more bands should be given control of their revenue funds". The relevant section for this purpose is Section 68 which, subject to an order in council granting the requisite authority to the band, allows a band to control, manage and expend in whole or in part its revenue moneys. The section does not specify functions for which funds can be expended. Bands have employed the section for communal enterprises such as the post peeler and treatment plant of the Blood Band, and for such local government functions as lighting, fire prevention, waterworks, roads, council salaries, welfare payments, housing and education.

In recent years the Branch has seen the use of this section as a training device in local government. A typical attitude is indicated by the following statement of a former regional supervisor:

> I would like every effort possible to be made to bring more bands under Section 68. This should be done even in cases where there is some doubt as to the ability of the Indians, or more specifically the band council concerned, to discharge this responsibility in a proper manner.

The use of Section 68 is comparatively recent. On April 30, 1959, the Bay of Quinte Mohawk Band of Indians was the first to be brought under this section. Since then the number has grown to 64 bands in 1963 and 115 by March 31, 1966. As noted elsewhere, the use of this section is required for bands which wish to operate under the General Welfare Relief Assistance Act of Ontario. Indeed, it was the possibilities offered by that Act which triggered off a spate of orders in council bringing Ontario bands under the section. In general, the operation of bands under this Ontario Act has been highly satisfactory to the government of Ontario and Branch officials. The advantages offered by the section are highly praised by former Chief Melville Hill of the Bay of Quinte Mohawks:

> Controlling and being responsible for expenditures from a band's own revenue account creates a feeling of something worthwhile having been accomplished throughout the reserve. It tends to make Indians realize the necessity of maintaining high standards so that the Indian Affairs Branch will not withdraw this measure of self-government, which took so long to procure. Members take more interest in the financial affairs of the band, and they try to prevent any unwise or unnecessary expenditures . . . . Under this system of self-government, most members are aware that irresponsible or inadequate leaders would be a detriment to the reserve. It is therefore a strong incentive to electors to vote for capable officials to conduct their affairs . . . . More knowledge of money matters (and commitments) results in better use of band funds for the general welfare of the band. This is a decided improvement over the former practice of not knowing, and not caring, where money comes from or how it is to be spent.[1]

In most cases where bands are operating under Section 68, they commenced by managing the expenditure of only a part of their revenue for particular purposes, and after gaining experience additional aspects of revenue fund management have been taken on by them. The procedure under the section is as follows:

Most bands submit the current year's budget for Indian Affairs Branch approval between January and March.[2] Since departments of the federal government make up their estimates in August of the year prior to the current fiscal year, the differences in planning cause some difficulty. The Indian Affairs Branch has only an approximate knowledge of the extent to which it will receive requests for financial assistance from bands. On the other hand, bands find it advantageous to submit late budgets in order that proposed incomes from such sources as oil leases and crop share rentals may be forecast as accurately as possible. A late submission may also avoid the making of supplementary budget resolutions for Indian Affairs Branch approval. After approval of the budget band councils can then carry out their plans. A local bank account is opened in the band's name into which revenues can be paid and from which money can be disbursed. Administrative operations are then supervised by the band and recorded in reports and accounts.

The progressive use of this section is illustrated by the following table which shows, on a cumulative basis, the number of Indian bands administering their own revenue moneys in whole or in part. The procedure under Section 68 is for the governor-in-council to extend partial or total control to the band by order in council. Although the section provides for the revocation of authority already granted, this power has never been exercised. No bands have been brought under the provisions of Section 68 in Prince Edward Island, Nova Scotia, New Brunswick, Yukon, and the Northwest Territories. In the following table, W indicates the number of bands with total control, P the number of bands with partial control, and T the number of bands with either partial or total control on a year-to-year basis.

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[1] Report of an Address to the 8th Annual Indian and Metis Conference, Winnipeg, Feb. 7, 1962.

[2] Branch approval is required, with minor exceptions, for all band financial activity under the Indian Act. Not all bands submit proposed budgets. Some councils contemplate little or no activity. Others omit seeking advance approval. Instead the council may simply forward a resolution to the Indian Affairs Branch at any time approval is sought. In the examination of requests for approval, Indian Affairs officials may require band clarification on three main points: a sudden change in the amount of such current expenditure as maintenance costs, an omission of a commitment made in a past year and a proposed measure which does not conform to the provisions of the Indian Act.

The exception to the general necessity for Branch approval occurs with respect to moneys raised by band by-laws. Such moneys are not legally considered to be band funds, and therefore are not necessarily governed as to their disbursement and accounting by Sections 61 to 68.

CUMULATIVE TOTALS BY PROVINCES OF BANDS ADMINISTERING THEIR OWN REVENUE MONEYS UP TO MARCH 31, 1966

| Year | | QUE. | ONT. | MAN.. | SASK.. | ALTA. | B.C. | TOTAL |
|---|---|---|---|---|---|---|---|---|
| | W | | 3 | | | | | 3 |
| 1959 | P | | 0 | | | | | 0 |
| | T | | 3 | | | | | 3 |
| | W | | 4 | | | | 1 | 5 |
| 1960 | P | | 17 | | | | 0 | 17 |
| | T | | 21 | | | | 1 | 22 |
| | W | | 4 | 0 | | | 1 | 5 |
| 1961 | P | | 30 | 1 | | | 0 | 31 |
| | T | | 34 | 1 | | | 1 | 36 |
| | W | | 5 | 0 | 0 | 0 | 3 | 8 |
| 1962 | P | | 30 | 1 | 3 | 2 | 0 | 36 |
| | T | | 35 | 1 | 3 | 2 | 3 | 44 |
| | W | 1 | 6 | 5 | 0 | 0 | 11 | 23 |
| 1963 | P | 0 | 30 | 3 | 3 | 5 | 0 | 41 |
| | T | 1 | 36 | 8 | 3 | 5 | 11 | 64 |
| | W | 1 | 8 | 6 | 0 | 8 | 17 | 40 |
| 1964 | P | 0 | 29 | 3 | 6 | 8 | 0 | 46 |
| | T | 1 | 37 | 9 | 6 | 16 | 17 | 86 |
| | W | 3 | 9 | 6 | 5 | 13 | 22 | 58 |
| 1965 | P | 0 | 32 | 3 | 10 | 4 | 1 | 50 |
| | T | 3 | 41 | 9 | 15 | 17 | 23 | 108 |
| | W | 4 | 10 | 6 | 6 | 14 | 27 | 67 |
| 1966 | P | 0 | 31 | 3 | 9 | 4 | 1 | 48 |
| | T | 4 | 41 | 9 | 15 | 18 | 28 | 115 |

The record of local government activity measured by by-law performance or management of revenue moneys is unimpressive. Most bands have made no use of their by-law capacity under Section 80. With the exception of bands in British Columbia, Section 82 has been almost irrelevant to band council activity. In the past half decade there has been a marked growth in the number of bands managing their own revenue moneys in whole or in part under Section 68, but even so four out of five bands have not been brought within its ambit.

The situation is in fact worse than even the above modest indications of council activity imply. As Branch documents point out, the number of by-laws constitutes an imperfect measure of administrative development. In some cases bands have had active councils for short periods during which a number of by-laws have been passed. However, their successors in office have not always administered these by-laws, which accordingly become dormant. In some cases by-laws have dealt with only minor or passing problems, and their enactment implies no continuing measure of community control over its affairs. A further factor for consideration is the zeal of some agency superintendents in fostering by-law enactment. While they are expected to leave the initiative for by-law making in the hands of band councils, there is no doubt that some

Branch field officers have tended to promote by-law enactment where this has appeared necessary in their opinion. Finally, according to some Branch officials, band councils on occasion pass by-laws and consider problems connected with the subject matter to be solved by the mere act of legislating. Even if none of the above qualifications proved to be serious the fact would remain that most Indian bands have passed no by-laws, money or otherwise, and have acquired no formal control over their revenue moneys. As a corrective to this rather bleak formal picture of indices of local autonomy, it should be noted that emphasis on the formal aspects of Branch administration of local government activities may conceal significant Indian participation in a number of instances. Bands may prefer, for example, to have the Branch undertake the administrative tasks which Section 68 allows the band to assume, while still playing an important initiating role with respect to the nature and kind of local government financial decisions which are made for the reserve. In spite of this qualification, it remains essentially true that most Indian communities are administered rather than self-governing.

## The Special Nature of Indian Communities

Many of the difficulties which complicate the development of self-governing Indian communities are similar to those found among non-Indian communities faced with poverty, isolation, small populations, apathy, and lack of leadership. In addition, however, there is the crucial distinguishing fact of the legal status of Indians, bands, and reserves. From this perspective Indian communities differ markedly from their non-Indian counterparts. These differences and their basic importance can best be seen by examining the salient features of non-Indian communities.

The non-Indian community is composed of individuals who have freely decided on their place of residence and on the particular local political system in which they shall live. As a consequence, membership in the community is constantly shifting, and the population size waxes and wanes in response to the influence of general factors which affect geographical mobility in a modern society. To the resident the community is only one of many possible sites he can call home. The membership of the community at any one point of time, therefore, is the end result of innumerable individual decisions. There is no legal tie which relates members of the community to each other in a way that cannot be sundered by departure. The non-Indian's link with his community is basically conditional. As a consequence of the preceding factors there is a high degree of mobility, and a low correlation between kinship and community membership.

Community membership and property ownership are logically distinct, although they will in fact overlap in numerous cases. The non-Indian community is part of a free market for the use and possession of property. Land for industrial and commercial uses, and the corporate organizations which exploit local resources may be owned by shareholders who have never seen the community in question. Corporate ownership of land and resources is based on contracts freely entered into and terminated by individuals. Nevertheless the local community is frequently seen as a property-owning democracy, a reflection of the fact that the local citizenry may own or rent land and accommodation in response to the operations of the price system. The emphasis on possession of property is also reflected in the typical practice of according voting rights to non-resident property owners if they are present on election day. The totality of land on which non-Indians live within local government frameworks is not collective in an ownership sense, but only in the minimal sense that its boundaries determine the extent of local government law-making authority. The distinction between land within and without the geographical scope of local government authority is strictly a jurisdictional difference. Community land is not tied to local citizens in any inalienable way.

In summary, the local government structure of a non-Indian community is fitted onto a temporary constellation of relations between individuals and between individuals and land. While conditions are attached to property ownership, and political rights there are no absolute legal barriers which restrict these to a specific category of people.

In a number of important aspects Indian communities differ significantly from non-Indian communities. The Indian band, a legally defined grouping is a body of Indians "for whose use and benefit in common" lands have been set aside, and/or "for whose use and benefit in common, moneys are held by Her Majesty", or which is declared by the governor-in-council to be a band for the purpose of the Indian Act (2.(1)(a)). The membership of the band is legally defined, as are the methods by which such membership may be gained, given up, or changed. Since to be Indian is to belong to a special legal category, there is no necessary coincidence between Indian status and Indian ancestry. A White woman who marries an Indian band member becomes an Indian band member herself, while persons of Indian ancestry are scattered throughout the non-Indian community as a result of enfranchisement. Only individuals with the legal status of Indians can belong to an Indian band. Band membership can be briefly described as follows:

> A band consists of all those persons who, on May 26, 1874, were legitimate members of a band for whom land had been set aside; all male descendants in the male line of male persons thus qualifying; the legitimate children of such persons; the illegitimate children of qualifying females, provided that the Registrar of the Department has not declared that the father of the child was not an Indian; and the wife or widow of a qualifying person. Persons listed above are no longer eligible for membership in a band or for Indian status, if . . . he or she is enfranchised or, if a woman, has married a non-Indian.

The result of the preceding is that, with few exceptions, membership in the band is ascribed at birth. Although membership is usually associated with living on reserve land, this is not essential to retain the status of a band member. As long as Indian status is not given up by enfranchisement, or membership altered by joining another band, band membership is retained even if the Indian has moved off the reserve. The band thus has a continuing existence which is independent of the place of residence of its members. Membership in an Indian band is thus determined not by residence but by others legal criteria.[1]

Indian land is essentially communal, title being retained in the Crown. The reserves are political creations "held by Her Majesty for the use and benefit of the respective bands for which they were set apart", (18 (1)), and deliberately protected from the free play of market forces which might lead to their disappearance. Land may be alienated to outsiders only under special circumstances. In the words of a senior Branch official in the mid-fifties; "The Indian Act, right from the beginning, has always provided very stiff terms or requirements before any portion of the reserve can be taken away from the Indians . . . The reason is fairly obvious. There would not be many reserves today if these early restrictions had not been put on, because it was certainly true years ago -- and it is still true -- that many people have turned covetous eyes on Indian reserves . . ." Non-Indians may only lease, not own, land on an Indian reserve. Even among Indians generally, or band members specifically, land is not subject to free disposition or exchange under the influence of market forces. In essence the situation is that specific bodies of Indians formed into legally defined groupings called bands are collectively identified with specific parcels of land called reserves which have been set aside for their common use.

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[1] In addition to registered Indians who are band members there is a small number of Indians on the General List who are not members of a band but are entitled to be registered as Indians. The General List is essentially a residual category. It contains:

(a) Indians and the descendants of Indians who lost band membership by reason of five years continuous residence in a foreign country without the consent in writing of the Superintendent General of Indian Affairs or his agent, under Section 13 of the former Indian Act.

(b) Persons and the descendants of persons who were granted Indian status by the Superintendent General of Indian Affairs or his agent without being admitted to membership in a band, under Section 16 (2) of the former Indian Act.

(c) Indians and the descendants of Indians who were living at widely separated points away from reserves and whose bands were not identifiable when the lists were posted in 1951 under the provisions of Section 8 of the Indian Act.

(d) Mentally incompetent members of the Michel Band of Alberta who were placed on the General List so that they could retain their Indian status when that band was enfranchised in 1958 under the provisions of Section III of the Indian Act.

A corollary of communal land possession is the existence of band funds divided into capital and revenue accounts which are derived from the profitable use of, leasing of, or sale of land or other resources held in trust for the band. Band members, therefore, not only possess lands in common, but also, and as a consequence, certain moneys.

Analysis of the development of Indian local government is complicated by the existence of two logically distinct facets of band existence. The band is an entity whose members possess certain assets in common, and for those band members who reside on the reserve or reserves it is a local community whose members require local government facilities. In contrast with the non-Indian community, the Indian bands and local communities tend to be "frozen". The band has a controlled, largely ascribed, membership whose size responds primarily to demographic factors. The size of the community is limited by the same demographic factors, but its actual size is more variable as it depends on the ratio of resident to non-resident band members. Members of the community live on a relatively infelxible land base held on the collective behalf of the band by the Crown, and with non-resident members they share in a group claim upon whatever capital and revenue funds have been accumulated on their behalf. It is readily seen, therefore, that whether or not the band which owns assets in common and the Indian community which requires local government structures coincide completely in terms of membership is a function of the factors which determine the mobility of band members off the reserve. While the band can be larger than the community, it is logically impossible, ignoring for the moment the small number of non-Indian reserve residents to be discussed shortly, for the community to be larger than the band.

This double aspect of band membership and community membership pervades and confuses band council activities. The Indian Act has several sections laying down the powers of band councils over band membership and reserve land. The council may protest band list deletions or additions to the Registrar of Indians in Ottawa (9 (1) (a) and 12 (1a)), and subject to the approval of the minister, admit new members from the General List or from another band (13). Council responsibilities pertaining to the use of reserve land include giving or withholding consent for the minister, under regulations, to grant licences to cut timber on reserve lands (57 (a)), giving or withholding consent for the minister to improve or cultivate unused land (58 (1)), giving or withholding consent for the minister to dispose of sand, gravel, clay, etc. (58 (4) (b)), giving or withholding consent to the minister for the adjustment of contracts pertaining to the use of reserve lands (59 (a)) and to the adjustment of the amount of a loan owing to the band by an Indian (59 (b)), certifying to the surrender of reserve lands ((40) chief or one council member only required), making of a request for a secret ballot for the surrender of band land (39 (4)). Council also, with the approval of the minister, allots land to band members (20 (1)), and may give its consent to the land of an enfranchised Indian ceasing to be reserve land (110 (2)). Council also has certain powers pertaining to band funds. Council can give or refuse its consent to the minister for the expenditure of band capital moneys for a variety of purposes under Section 64, including "any other purpose that in the opinion of the minister is for the benefit of the band" (64 (k)), and for the expenditure of revenue moneys under Section 66 (1). Under Section 68 a band which has been so authorized by the governor-in-council may "control, manage and expend in whole or in part its revenue moneys . . . "

The council is thus an important agency in making decisions or advising with respect to matters which concern all band members regardless of their place of residence, such as membership, and the use of the collective assets of the band in land and moneys. The council also makes decisions pertaining to the governing of the community which are primarily relevant to resident members, and possess by-law powers under Sections 80 and 82 roughly similar to those possessed by rural municipalities. The intermingling of these two logically separate areas of activity is furthered by the tendency to use band funds for minicipal purposes which are financed for non-Indians by varying combinations of locally raised revenues and grants from other governments.

Finally, the fact that the same council makes decisions or advises in both areas further tends to a confusion between the two distinct aspects of band existence.

As band councils acquire and exercise more powers of local government the distinction between the band as a legal unit owning certain assets in common, and the community as a self-governing body for local purposes will increase in importance. This largely reflects the confusion between band and community mentioned above. This confusion, it is suggested, is compounded by the fact that the relation between the individual band member and the capital and revenue assets of the band is also confused. It is clear that from some perspectives these assets are regarded as being of a collective nature. They are vested in the Crown on behalf of the band as a whole, and they may be used by the band, or on behalf of the band, for certain collective purposes. In some cases, their disbursement may be undertaken by the minister for certain band purposes.

On the other hand, and this is almost a direct consequence of the collective nature of the assets, band members are regarded as having equal rights to these assets as individuals. This is explicit in the process of enfranchisement in which the individual obtains as of right a per capita share of the capital and revenue moneys of the band (15 (1) (a)). The same egalitarian relationship to band funds is implicit in Section 64 (a) whereby the minister, with council consent, may distribute "per capita to members of the band an amount not exceeding fifty per cent of the capital moneys of the band derived from the sale of surrendered lands".

It is clear that the relationship between individual and corporate orientations to band assets is exceptionally complex. The corporate aspect is probably most pronounced when the band has acquired an appreciable corporate income. Even where, as in The Pas Band in Manitoba, corporate wealth is far from impressive, a strong spirit of corporate identity can develop. In the words of one of our field reports:

> The band has . . . learnt to look upon itself as a substantial corporation. While by White standards, its members are poor, they are wealthy in comparison to the 'transients' who cluster around reserve and town and whose home localities lack both access to jobs and substantial band property. The capital fund of The Pas Band stands at $55,000; its annual income from leases, timber and gravel sales and the exploitation of other resources lies between $10,000 and $12,000.

On the other hand, under certain circumstances, individuals view these corporate assets as an aggregate of per capita holdings, and can lay claim to their personal share by enfranchisement, or can lay partial claim, if a woman, by marriage to a member of a poorer band.

A further illustration of the interaction of egalitarian and corporate assumptions is found in Section 39 where a majority of the electors of a band are required to approve a surrender of land, in Section 60 where a band may request as a result of the consent of the majority of the electors of the band (2 (3) (a)), the right to exercise control and management over reserve lands as the governor-in-council considers desirable, and in Section III where a majority of band electors is required before the minister can make an order for band enfranchisement. It is highly significant that in the above cases which pertain to the use of the corporate assets of the band, the support of a majority of the band electors is required, not just the support of a majority of the electors voting.[1]

It seems to us that the contradictions and confusions of Indian status just described will grow more important in the near future and will complicate the development of local self-government. They will certainly render impossible the total placement of Indian communities within the local government framework of the provinces.

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[1] See, however, Section 39 (2) (3) for procedures allowing a majority of electors voting to assent to a surrender of land.

There is clearly a serious logical conflict between the corporate and individual orientations to band funds and lands described above. This conflict is partially veiled as long as the public purposes to which the assets are put find fairly universal agreement among band members. It seems likely, however, that this conflict will become more visible and painful as the band council gains autonomy from Branch controls and the council finds itself making partisan decisions about the purposes to which these assets will be put. This is, of course, a universal problem with all political systems which by their actions redistribute real income in the form of goods, services and cash among community members. With Indians, however, the problem has an added twist. It seems likely that the assumptions as to the equal rights of individuals to benefit from band fund expenditures are more deeply held than is true of non-Indian attitudes to the use of their public revenues. Also the small population size of many Indian communities renders highly visible the correlation (or absence) between the equality of interest in these assets and the equality or inequality of benefit between individuals with respect to the purposes for which they are employed.

The council represents Indians, resident and non-resident, with respect to the corporate assets of the band in land and band funds. It is also the political instrumentality of local government for resident band members. This dual orientation of council is not logically productive of tension as long as there is almost complete overlapping between band members and reserve residents. There will be the typical problem faced by all political systems of justifying a particular pattern of distribution of the benefits of public activity among reserve residents. This problem may, indeed, be exacerbated by the smallness of the community, the tight personal and kinship ties among its members, and the assumed equality of interest of all members in band assets, especially funds. Nevertheless, as long as band members and reserve residents are the same people the problem would not appear to be unmanageable.

Where, however, a band contains a significant number of off-reserve Indians the possibility of a conflict between resident and non-resident band members seems likely. It may be assumed that as emigration from the reserve widens the numerical discrepancy between band and community populations that tensions will be generated, particularly if council control over band funds increases concurrently. Technically band funds belong to residents and non-residents alike. Conflict hinges on the fact that the two groups are unlikely to have similar attitudes to the purposes for which the funds can be expended.

The respective numbers of on and off reserve Indians indicate the problems which band councils will face as they attempt to undertake local government functions for their on-reserve citizens while simultaneously performing management functions with respect to the band's assets on behalf of all band members regardless of domicile. On the basis of incomplete data for four years, 1958, 1960, 1963, 1965, it appears that approximately one in four Indians is living outside an Indian reserve, with a significant increase in the off-reserve ratios for the period as a whole.

As long as the band council is both the local authority and the management body for band funds, the way the conflict develops will be related to the definition of the voting rights of band members. Technically this relates to the definition of "ordinarily resident" on the reserve for voting purposes. (Prior to 1951 the word "ordinarily" was not used.)

The Indian Band Election Regulations define ordinary residence for voting purposes as

> generally, that place which has always been, or which he has adopted as, the place of his habitation or home, whereto, when away therefrom, he intends to return and, specifically, where a person usually sleeps in one place and has his meals or is employed in another place, the place of his residence is where that person sleeps.
>
> A person can have one place of ordinary residence only, and he shall retain such place of ordinary residence until another is acquired.
>
> Temporary absence from a place of residence does not cause a loss or change of place of ordinary residence.

The Branch has become concerned with the impact of a tight definition of ordinarily resident on many band members who regard the reserve as their home and who maintain an interest in the affairs of their band but who must work off the reserve if they wish to remain in gainful employment. Frequently their place of work is too far from the reserve to permit them to commute daily, and they can only return to the reserve on weekends or holidays. This trend to off-reserve employment creates difficulties in band elections in determining who is ordinarily resident on the reserve for voting purposes. This leads to questioning of the right to vote of a growing number of individuals who are either disqualified, which they feel is unfair, or are permitted to vote with the subsequent possibility of the election being upset on appeal.

Resolution of this difficulty is greatly complicated by the intermingling of local government purposes and the management of band assets discussed earlier. The suggestion that all band members meeting age requirements should have the vote has the disadvantage of giving non-resident members an equal say with resident band members in the selection of the chief and council responsible for local government functions. In such a case, if the percentage of non-residents is high the kind of council which will be selected and the pressures which will play on it would be detrimental to the local government functions which the community needs and which are vested in the council. As one superintendent stated: "if they did have a vote and could become members of the council, there is the danger that they would only be concerned with getting what dollars they could from the reserve rather than developing its resources to benefit those still residing there". A former chief of the Tyendinaga Reserve described the attendant difficulties as follows:

> Our case may be unique as we have a village on each end of our reserve and a city and town within 15 miles. Many of our members live in these places and have most of their lives. That is their home, yet they are members of our band. They only come to the reserve on special occasions and therefore are not familiar with the business that affects the residents of the reserve. Yet their numbers are such that should they be allowed to vote, they could control any of our band elections. I believe for the best interests of our reserve that only residents should be allowed to vote.

The disadvantage of this suggestion is simply that it is discriminatory in that it not only deprives non-residents of a say in the selection of the local government, but also deprives them of a say in influencing the disposition of band assets in which all band members have an equal interest and to which they have equal rights, regardless of their residence.

If non-resident members do not have voting rights and the band council controls revenue moneys derived at least partially from band funds, there will inevitably be an intra band transfer of funds, or the goods and services they can buy, from non-resident to resident members. This is difficult to justify on grounds of equity for the funds in question are, after all, designated as band funds. It might be argued that this is a price paid for off-reserve movement and can be taken into account by the would-be migrant so that he will only move if he feels that the anticipated returns from moving are greater than those from staying. While this may be true, it has the consequence of diminishing the incentives to off-reserve mobility. Given the economic position of most reserves this consequence should be rejected as unsound, and methods should be sought to avoid it.

The 1959-61 Joint Committee grappled with the problem of the band member who was deprived of his vote by reason of not falling within the definition of "ordinarily resident". Its recommendations adopted a middle ground which only partially met the basic issue. The Committee recommended that "all band members who are otherwise qualified be allowed to vote at band council elections and on any other matters affecting the band if such members are present on their respective reserves at the time that an election is held".[1]

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[1] Joint Committee, 1961, p. 608.

A compromise of this nature is unsound on both ethical and practical grounds. For this reason we have recommended in the concluding section of this chapter the separation, on an experimental basis, of band functions from local government functions as the only way out of this complicated situation.

The absence of a practical distinction between local authority functions and band corporation functions complicates the growth of the reserve community in another way. Membership in the band is a prerequisite for complete membership in the reserve community. It is legally impossible for a non-Indian to acquire political rights in an Indian band. The degree to which this distinction between band members and non-band members extends is illustrated by the fact that a non-Indian child adopted by Indian parents is not entitled to band membership and is denied the privileges and benefits such membership provides for his adopting parents. He may be rejected by the reserve community and be treated as a trespasser. The equation of band rights with political rights means that the adopted non-Indian child obviously cannot acquire political rights in the reserve, and technically band lands and funds cannot be used on his behalf. The problem arises because band membership and community membership cannot be divorced, and because bands are reluctant to increase the number of claimants on their band funds. The problem is rendered more complex by the fact that the federal government has assumed responsibility for Indians and the provincial government for Whites with respect to such important areas as health, welfare and education. Thus one reason that the 1951 Indian Act contained a more exhaustive definition of an Indian than its predecessor was because the 1946-48 Joint Committee had stated: "Parliament annually votes moneys to promote the welfare of Indians. This money should not be spent for the benefit of persons who are not legally members of an Indian band. Your committee believes that a new definition of Indian and the amendment to those sections of the Act which deal with band membership will obviate many problems." While the resultant definition helped solve the problem of parliament spending public funds on Whites who, although living on reserves, were not its legal responsibility, it transferred the problems on to the shoulders of the Whites themselves who frequently were caught in a no man's land in which neither federal nor provincial nor municipal governments were willing to spend public funds on their behalf.

A 1961 Branch survey of non-Indians living on reserves found 7,242 persons lacking Indian status. This total was broken down into the following categories:

1210 - women of Indian origin who had lost their Indian status through marriage or enfranchisement, and their non-Indian children living on reserves.

511 - children of unmarried Indian mothers who had been declared not entitled to be registered as Indians on account of non-Indian paternity; and non-Indian children of women who became Indians on marriage.

288 - non-Indian children adopted or otherwise cared for by Indians.

597 - adult non-Indians and non-Indian children of such persons, other than those described in other categories, who require or are likely to require welfare or educational assistance.

4636 - self-supporting non-Indians and their non-Indian children, such as federal employees, missionaries, merchants, tenants, etc.

Unfortunately, the last mentioned category, which was the largest, was not broken down to indicate the number who, in psychological terms, could be regarded as members of the Indian community as distinct from those who were extensions of government, religion, and business and as such might properly be regarded as temporary sojourners. Whether the latter should be eligible for the services which the council, in conjunction with the Branch, provides in its capacity as a local government body is perhaps debatable. It is not debatable, however, that all other non-Indians on reserves who live as Indians among Indians should have the same relationship to the local government of the reserve in terms of basic services and in terms of political rights as do their friends and neighbours. This statement is, of course, highly abstract, and it might be suggested that it overlooks their lack of Indian status and, therefore, their lack of band membership. This, however, is the basic point at issue. It is the very confusion between band members and community members, between the band council acting as a local government on the one hand and as a management body for band assets on the other hand which leads to the anomalous position in which this group of non-Indians living on reserves finds itself. While the numbers are small relative to the Indian reserve population, the percentage is probably slightly higher than the percentage of Indians in the Canadian population as a whole. Since it is basic to our argument that percentages should not dictate the degree of concern addressed to the needs of the Indians, logic requires that the same argument apply to the needs of non-Indians living on Indian reserves.

In response to this situation the federal government sought and received authority in 1960 and 1961 to provide education and welfare benefits to non-Indians living on reserves, where such individuals do not have access to either provincial or municipal resources. Under this authority educational assistance has been provided annually from 1960-61 to 1964-65 to over 1,200 non-Indians, and welfare assistance to annual totals ranging from 134 to 413, based on February figures, in the same period.

These unfortunate individuals, however, still exist in a partial limbo as they are not band members and cannot acquire political rights in the community in which they live. These factors seriously complicate the development of a mixed society on the reserve composed of Indian status persons and Whites. While this seems to us to be unfortunate, it is virtually inevitable as long as the council is simultaneously a local government body and the authority charged with important functions in the fields of band membership and band assets.

Consideration of the policy of bringing Indian reserves into a more intensive and rewarding relationship with non-Indian society necessitates a brief examination of the question of trespass on Indian reserves.

This question is characterized by that degree of legal complexity which usually lies beneath apparently simple questions of law. Fortunately, a detailed legal analysis is not necessary for the purposes of this comment which, accordingly, will confine itself to that incidental degree of legal material which appears unavoidable. It is taken for granted that it is desirable to minimize inhibitions to easy and frequent social, business and governmental contact between Indians and non-Indians within reserve boundaries.

The Indian Affairs Branch Field Manual states:

> "Trespass may be defined generally as entering the property of another without authority to do so, or remaining thereon after being ordered to leave by a person having authority to give such an order. As a reserve is a tract of land set apart for the use of an Indian band, entry thereon by any person other than a person authorized by the minister pursuant to the Indian Act (Section 28 (2)), a person invited by a member of the band to visit his home or so invited by a non-member legally resident on the reserve, a person present with the consent of the band council, or a member of the band, technically is a trespass as is unauthorized entry on the individual reserve holding of one Indian by another Indian of the same band."

The segregating effects of the trespassing provisions of the Indian Act and some of the confusion and uncertainty with which they are surrounded, can be illustrated in a variety of ways:

1. In 1955, an officer of the R.C.M.P. inquired, inter alia, "Are Whites allowed on a reserve as guests of Indian residents?" The answer is yes.

2. Some Indians have recently been reported to feel strongly that provincial officials visiting an Indian reserve in discharge of their duties are trespassing. This Indian interpretation is wrong. The enforcement of a law which properly applies on an

Indian reserve allows administrative personnel of the enforcing agency to go on to a reserve without violating the trespass provisions of the Indian Act.

3. The placement of a non-Indian child in an Indian reserve home on an adoptive or foster home basis is affected by the trespass provisions of the Act. A child so situated is, as noted earlier, technically in danger of being in trespass. Consent of the band council is necessary before such an arrangement can be condoned and any succeeding band council, by the simple expedient of a resolution, could nullify that approval. In the event of a foster home arrangement, nullification of approval might result in a great deal of inconvenience and possibly hardship after the child has become established. In the event of adoption of a non-Indian child by an Indian family, a band resolution requesting the trespasser's removal from the reserve would clearly create a most unpleasant situation.[1]

4. It was contended before the 1959-61 Joint Committee that there was a tendency for Whites to be cautious about going on an Indian reserve without having first obtained permission because of fear of being in trespass.

It is noteworthy that none of the above instances would be applicable to a non-Indian community. They reveal, therefore, a fundamental difference in image and in reality of the extent to which Indian and non-Indian communities are considered to be open for free and easy visitation and intermingling of people from within and without the communities in question. An essential difference is that there is a much more noticeable and conspicuous public aspect to the non-Indian community. In the Indian community trespass technically applies to the whole reserve area. In the non-Indian community trespass does not apply to the community as such, but only to specific bundles of private and public property. Typically, the Indian community does not possess the same number of obvious public aspects as its non-Indian counterparts, such as roads, parks, public squares, and places of business.

In recent years the trespass provisions of the Indian Act have moved in the direction of leniency. The sections on trespass in the repealed Indian Act gave Indian superintendents wide magisterial powers which were not subject to review, in effect vesting in such officials the right to summarily try alleged trespassers. The 1951 revised Indian Act removed the relevant provisions from the Act and substituted Section 30 which states: "A person who trespasses on a reserve is guilty of an offence and is liable on summary conviction to a fine not exceeding fifty dollars or to imprisonment for a term not exceeding one month or to both fine and imprisonment." It is left to the courts to determine, on the facts of each case, whether a trespass has occurred.[2]

The liberal approach to trespass is amplified in the field manual which emphasizes the "utmost importance" of band councils and superintendents acting reasonably in considering trespass cases so that their actions will "not discourage free and normal social and business interchange between reserves and their neighbouring communities". In line with this attitude it is pointed out that "the marking of reserves with warnings to the public that they are approaching reserve land has been gradually going out of use, particularly where social intercourse between reserve residents and others is the accepted order". It is also noted that where a band member regularly takes bread or milk from delivery men, this constitutes an implied invitation to the reserve. Similarly, where band members operate booths for the sale of handicrafts or other items to the public, it is implied that tourists and others are invited to their premises to view the goods and make purchases if they wish. Unless otherwise indicated, the consent of the band council is implied where it is customary for members of the public to attend special band events such as rodeos or ceremonial dances. It is noted that doctors, clergymen, missionaries, insurance adjusters and other professional and lay people having legitimate business on the reserve are not in trespass when present on the reserve in connection with their dealings with individual band members. Finally, it is suggested for the guidance of field staff that where a reserve is unknowingly entered without causing damage or inconvenience the "offence" should be overlooked if the person in trespass leaves after being asked to do so.

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[1] The 1959-61 Joint Committee recommended "that Indian status and the right to band membership be extended to any child legally adopted by a member of a band and conversely that any Indian child legally adopted by non-Indians should cease to have Indian status and membership rights", 1961, p. 606.

[2] It may usefully be noted here that Section 80 (p) of the Indian Act which empowers a band council to make by-laws for "the removal and punishment of persons trespassing upon the reserve or frequenting the reserve for prescribed purposes" does not provide authority for the council to define trespass, but merely to enact by-laws for the removal of trespassers which can only become operative after it has been established at law that a trespass has been committed. See Regina v. Gingrich (1958) 29 W.W.R. 471 (Alta. App. Div.).

These administrative directives, coupled with the clear intent of the 1951 Act to minimize the segregating effects of the old Indian Act, provide ample indication of the attempt of the Branch to reduce the isolation of the reserves by facilitating contact between band members and non-band members within reserve boundaries. Continuing attempts to break down the isolating effects of the trespass provisions deserve every encouragement from Indians, the Branch and the general public.

## The Problem of Viability

The development of local self-government is inhibited by a variety of factors. The small size of band populations is sufficient in itself to act as a major barrier. The following table indicates the population distribution of Indian bands.

NUMBER OF BANDS BY POPULATION GROUP
- 1965 -

| | 1-99 | 100-199 | 200-499 | 500-999 | 1,000 plus | Total |
|---|---|---|---|---|---|---|
| P.E.I. | 0 | 0 | 1 | 0 | | 1 |
| Nova Scotia | 0 | 3 | 7 | 1 | 1 | 12 |
| New Brunswick | 5 | 3 | 4 | 3 | 0 | 15 |
| Quebec | 9 | 2 | 15 | 7 | 7 | 40 |
| Ontario | 30 | 25 | 28 | 18 | 11 | 112 |
| Manitoba | 2 | 5 | 24 | 13 | 7 | 51 |
| Saskatchewan | 3 | 9 | 34 | 19 | 2 | 67 |
| Alberta | 7 | 5 | 16 | 6 | 7 | 41 |
| B.C. & Yukon | 67 | 57 | 57 | 18 | 4 | 203 |
| Mackenzie | 0 | 4 | 9 | 2 | 1 | 16 |
| Total | 123 | 113 | 195 | 87 | 40 | 558 |
| Percentage of Total Bands | 22 | 20 | 35 | 16 | 7 | 100 |

Note: With the exception of the three Maritime Provinces which have been singled out of the Indian Affairs Branch administrative region of the Maritimes, the above geographical areas refer to Indian Affairs Branch administrative regions which do not completely coincide with provincial boundaries.

As the above table and the following table indicate, 42% of Indian bands have populations of less than 200, and 77% have populations of less than 500. Sixteen per cent of the bands have populations between 500 and 999, and 7% of bands have populations of 1,000 and above. The distribution of population among bands reveals that 27.8% are members of bands with populations of from 500 to 999, and 32.7% are members of bands with populations of 1,000 and above. There are striking differences between provinces with respect to the size of their Indian bands. The percentage of Indians in bands with populations of 500 and above varies from 36.7% in British Columbia and the Yukon, to 75.3% in Quebec.

While it is possible to debate what constitutes the minimum population size which is a prerequisite for local autonomy, there would be little disagreement that the scope of local government, and probably the very possibility of it, is a function of numbers. It is worth noting that small populations and limited financial resources inhibit the development of local government not only by depriving chief and council of significant resources to handle but also, and as a consequence, the attractiveness of public office is reduced for there are so few functions that office holders can perform.

PERCENTAGE OF INDIAN POPULATION IN BANDS OF 500 AND ABOVE
- 1965

| | Percentage 500 to 999 | Percentage 1000 and above | Combined |
|---|---|---|---|
| Maritimes | 32.8 | 14.2 | 47 |
| Quebec | 22.9 | 52.4 | 75.3 |
| Ontario | 23.5 | 48.9 | 72.4 |
| Manitoba | 31.9 | 38.2 | 70.1 |
| Saskatchewan | 44.8 | 10 | 54.8 |
| Alberta | 17.7 | 53.9 | 71.6 |
| B.C. & Yukon | 26.8 | 9.8 | 36.7 |
| Mackenzie | 19.6 | 18.7 | 38.3 |
| Canada | 27.8 | 32.7 | 60.5 |

Note: The above geographical areas refer to Indian Affairs Branch administrative regions which do not completely coincide with provincial boundaries.

When it is realized that many of the smaller bands are also partially nomadic, widely scattered, and devoid of band funds, it is evident that the problem of developing viable local government entities is of exceptional difficulty. The contribution which amalgamation and/or relocation can make to viability should be pointed out to the groups concerned. Where these alternatives are impossible or unattractive, then the scope of self-government which can be introduced will be seriously diminished. In such circumstances the objective reduces itself to an attempt to provide the community with a tolerable level of services which, of necessity, will have to emanate from outside agencies.

As will be noted below there is a growing divergence between band members and resident members which has the result of reducing the effective size of the local community, and thus further exacerbating the viability problem of already small populations. A growing number of band members are temporarily or permanently absent from the reserve due to their employment elsewhere. Band councillors who work off the reserve may find it difficult to put in regular attendance at band meetings.

In cases where many band members work in nearby non-Indian communities, commuting daily or weekly, the reserve may be more of a suburb than a true community. If in such cases there is a lack of positive identification with the reserve as such, the fostering of local government structures would seem to be artificial and unwanted.

In addition to the distribution of band members on and off the reserve as a variable influencing the possibility and desirability of local government, the physical distribution of people on reserves may have an important effect, especially with respect to the undertaking of expensive communal projects. For example, the regional supervisor of Alberta stated: "On most of our reserves the houses are located so far from one another that community wells or a water distribution system are out of the question for the present at least."

The development of local government is inextricably coupled with the availability of local sources of funds. There are several obvious sources for these funds which merit brief examination. One such source is the Indian Band Fund which is made up of capitalized annuities and moneys derived from Indian assets. Revenue to the fund began with the settlement of Upper Canada, and the surrender for sale of Indian lands in that province. Today, major items of income to the fund are derived from leases of Indian reserve lands, timber sales, the leasing of oil and gas exploration rights, sale of gravel and sales of surplus portions of reserves which have been surrendered by the interested bands of Indians. It should be noted that the Band Fund is not owned in common by all Indians in Canada, but belongs to various bands. Some bands have well over a million dollars, others have only a few dollars, while a considerable number of bands have no money at all and, therefore, no interest in the Band Fund. This seeming inequality arises from the fact that some bands chose reserves rich in agricultural land, timber or minerals, and have been able to dispose of their surplus assets, depositing the proceeds in their band account. Other bands chose reserves because of their suitability for hunting and fishing and these often lacked other resources from which revenue could be derived.[1]

Band funds are broken down into capital funds and revenue funds. In general, capital moneys are comprised from the sale of surrendered land or the sale of the capital assets of a band. Revenue moneys are comprised of all other Indian moneys not deemed to be capital moneys. The legal provisions governing the management of these moneys and establishing the purposes for which they may be expended are contained in Sections 61 to 68 of the Indian Act. At the risk of oversimplification, it can be said that capital funds are treated as assets from which interest is earned and from which expenditures can be made to physically improve the reserve. Disbursements from the capital fund annually only affect a small portion of the fund, about 10 per cent in recent years, and are roughly balanced by receipts to the fund. The general tendency, however, is to increase the size of the fund and fiscal year-end balances have grown from $20,730,252.49 in 1956 to $24,409,339.08 in 1964. The revenue fund, on the other hand, is not regarded as a permanent trust for future generations, and disbursements and receipts, which are kept in rough balance, have typically accounted for more than 50 per cent of the total of the balance of the fund at the beginning of the fiscal year, plus receipts into the fund during the year. In contrast to the capital fund, the year-end balance in the revenue fund has declined from $5,462,736.40 in 1956 to $3,336,353.61 in 1964.

The following table, which indicates for 35 sample bands capital funds per capita and revenue funds per capita, reveals that while band funds could constitute a useful revenue source for a small number of bands, they are too small in most cases to be seriously considered as important sources of local government finances.

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[1] This paragraph is taken from The Canadian Indian, p. 10.

### BAND FUNDS PER CAPITA - CAPITAL AND REVENUE ACCOUNTS

### SAMPLE OF 35 BANDS

| Band | Capital Funds Per Capita | Revenue Funds Per Capita |
|---|---|---|
| Skidegate | $122.67 | $ 4.44 |
| Caughnawaga | 53.84 | 1.40 |
| Walpole Island | 184.87 | 87.04 |
| Sheshaht | 68.57 | 9.12 |
| Lorette | .86 | .15 |
| Squamish | 200.13 | 82.76 |
| Tyendinaga | 24.29 | 3.97 |
| Six Nations | 91.47 | 1.93 |
| Curve Lake | 118.82 | 14.84 |
| Mistassini | .01 | - |
| Dog Rib Rae | - | - |
| Fort Simpson | 124.05 | 24.46 |
| Kamloops | 896.27 | 188.22 |
| Sarcee | 672.30 | 17.96 |
| Fort William | 128.97 | 23.64 |
| Williams Lake | 124.27 | 10.56 |
| Moose Factory | .49 | .26 |
| River Desert | 101.11 | .31 |
| Attawapiskat | .05 | .01 |
| St. Mary's | 7.11 | 5.97 |
| Montagnais | 4.76 | 2.16 |
| Tobique | 80.74 | 1.71 |
| Fond du Lac | .38 | .03 |
| Pikangikum | 2.82 | 6.51 |
| Shubenacadie | 16.50 | 29.11 |
| Oak River | 51.37 | 17.00 |
| Rupert House | - | - |
| Cold Lake | 567.76 | 36.01 |
| Fort St. John | 301.74 | 38.35 |
| Deer Lake | 1.16 | .40 |
| The Pas | 84.60 | 4.14 |
| James Smith | 48.75 | 15.79 |
| Peguis | 18.11 | 2.34 |
| Big Cove | .84 | 1.13 |
| Piapot | 52.50 | 11.48 |

Note: The figures are derived by dividing the band population figures for 1965 into the capital and revenue accounts of the bands for March 31, 1966, with the exception of British Columbia where the capital and revenue figures refer to December 31, 1965. The slight discrepancy in dates between the population figures and the capital and revenue figures has the effect of slightly inflating the per capita figures due to the population increase in the intervening period.

It is clear from the above table that band funds for most bands are too small to provide any significant financial base for local government autonomy. The combination of small per capita revenues with small population size means that the majority of bands lack sufficient funds to pay a decent clerical salary to one band civil servant, let alone finance any substantive aspect of local government activity such as roads, welfare, education, etc.

The logical source of local government revenues is from the people themselves. The difficulty here is that the basic facts of Indian poverty render impossible the raising of significant funds through the tax system. The overwhelming percentage of Indians are in earning categories that would exclude them from the payment of income tax, and most of their homes are of so low a standard that a property tax would bring in little revenue. The following statistics on Indian income reveal the low tax potential of most Indian reserves.

PER CAPITA INCOME - NUMBER OF BANDS IN EACH CATEGORY

SAMPLE OF 35 BANDS

| | |
|---|---|
| $1200-1300 | 1 |
| 1100-1199 | 0 |
| 1000-1099 | 0 |
| 900-999 | 0 |
| 800-899 | 0 |
| 700-799 | 2 |
| 600-699 | 3 |
| 500-599 | 1 |
| 400-499 | 0 |
| 300-399 | 7 |
| 200-299 | 9 |
| 100-199 | 9 |
| 0-99 | 3 |
| | 35 |

These figures do not, of course, absolutely preclude Indian contributions through taxes and levies to the financing of their own local government activities. They do indicate, however, that there is little basis for thinking that Indians can finance a very sophisticated level of local services from their own resources.

Where local resources are inadequate, the obvious alternative is to seek out external aid from senior governments at the provincial and federal level. In theory the amount of money available from this source is limited only by the generosity of the donor governments. Given the small size of the Indian population and the wealth of Canadian society there is no absolute financial barrier to the development of an extensive program of grants sufficient to provide a network of acceptable services for even the poorest community. To the extent that such grants are made available, however, it is unlikely that they would prove compatible with healthy local government.

There is a clear danger that a community characterized by almost complete dependence on outside financial sources for the overwhelming bulk of its services or the funds to provide the services will develop a political system characterized by either apathy of irresponsible demands for ever larger funds. Such a political system would not be subject to the desirable restraint of having to raise a significant percentage of its revenues from local resources. If almost no local taxable resources are available the political leaders on the reserve will lack any real flexibility with respect to the size of the expenditures they can finance. Unless there is a more than marginal local contribution to revenues, self-government on the reserve is likely to prove illusory.

This tentative conclusion is enhanced by the fact that senior governments may prove unwilling to allow Indian communities significant discretion in local policy-making if the amount of locally raised funds is minimal. This is especially so because at the present time most bands lack the administrative skills and the procedural expertise which tend to be seen by senior governments as a necessary preliminary to confidence in the adequacy of local policy-making and administrative institutions. This is one basic reason for the tight controls exercised by provincial governments over small non-Indian local governments at the present time. Unless special arrangements are made for Indian local governments, or they are evaluated in the light of different criteria than those applied to their White counterparts of similar size and capacity, there is little reason to suppose that lesser controls would be maintained over Indian than non-Indian communities.

It seems essential, therefore, that if self-government is to have any meaningful content the local community must have some independent sources of revenue raised by itself which are more than insignificant in relation to total revenues, and must also have a degree of administrative competence sufficient to give senior governments some confidence that grants will not be mishandled.

The fact, therefore, that many Indian bands are almost totally devoid of local resources or local income generating activities, and that they also lack an efficient local civil service strongly contributes to a continuation of some form of paternalistic control by the senior governments which provide the funds for the services received by the local community. The development of an extensive array of services for communities lacking fiscal capacity commensurate with their demands and/or needs tends to create the situation described by Riggs in the following way:

> The most typical situation in the transitional societies . . . weakens political institutions and strengthens bureaucratic. The more local communities have their appetites whetted by the 'demonstration effect' for improvements which can be paid for only by the central government, the more unrealistic local politics becomes, and the more extended the central bureaucratic apparatus.

A main financial barrier to the development of self-government is the lack of any significant taxable capacity on the reserve. This is supplemented by the comparative unwillingness of Indians to tax the resources they do possess. For a number of reasons Indians have developed a tenacious resistance to formal tax levies on their band members. The following description by a senior Branch administrator is appropriate:

> For years we have been pouring public funds into the construction and maintenance of utilities on Indian reserves and apart from some attempts on the part of individual superintendents it is only recently that the Department has adopted a policy of insisting that Indians accept an increased measure of responsibility for maintenance of water systems, roads, bridges and so forth.
>
> If we compare a typical non-Indian settlement with an Indian reserve of equal size, the significant difference is that the non-Indian settlement is financed and maintained through some form of taxation with an injection in some cases of provincial funds in the initial stages to get the project underway. In the case of the Indian reserve the utility or project is financed entirely by public funds. To an Indian the very suggestion of taxation as a means of maintaining the community is anathema.

In this situation we have a clear clash of values. The Indians value and cherish their tax privileges as laid down in Section 86 of the Indian Act, even when such taxation could be legally imposed by council under Section 82 with the funds being expended for public purposes. On the other hand, the White mystique of local government places an especially high value on tax contributions from the local community. It is in the clash of these two values that we find the explanation for the statement by a senior Branch official that "we should decline to expend any further moneys on those reserves where bands have refused to make the best use of their resources to provide funds for installation and upkeep of their own utilities".

It seems likely that if Indians continue on grounds of principle to deprive themselves of the funds they could raise by taxes, they will markedly reduce the autonomy attainable at the local level. The sympathy of senior governments which in the best of circumstances will provide a large percentage of local revenues will be stimulated or undermined by the extent to which Indians prove themselves willing to conform to the norm of local contributions which is widely held in White society.

It is proper to observe in conclusion of this section that although Indians display a marked resistance to the imposition of taxation by council, they do in fact contribute to the financing of public services on the reserve through the use of band fund moneys for local government purposes.

The development of effective local government requires not only a responsive political system in which political leaders are controlled by elections and other forms of community pressure, but also the existence of at least a minimum degree of executive and administrative capacity.

What is required, therefore, is the creation of a reserve civil service. Local governments, even if the population they serve is small, require some executive capacity if their policies are to be characterized by continuity, and if they are to acquire a source of advice and information independent of the Indian Affairs Branch. Without a local civil service the band council is shorn of much of its potential for effectively making and implementing policy. The present Branch policy of contributing to the formation of reserve administrators is to be encouraged. These now exist on only a few reserves.

For the smaller reserves it is evident that the employment of full time generalist administrators or the use of any specialized staff will prove impossible for two reasons: the absence of funds, and the absence of functions to justify the expenditure of funds. In such cases it is recommended that, where geography permits, small reserve populations pool their resources and their needs with neighbouring reserves in order to justify collectively the employment of administrative skills which singly they could not afford, or effectively use.

Ideally, as reserve administrations develop, it should prove possible to develop career ladders for Indian municipal civil servants who can move from smaller to larger reserves, and from less skilled to more skilled positions in response to market factors. This possible development should be encouraged for it should prove to have a beneficial effect in instilling professional norms in such individuals, and because it will enhance the occupational attractiveness of administrative positions.

## Non-Indian Local Government

Local government for Indians thus far has developed within the framework of the Indian Act. Local government for non-Indians takes place within municipal frameworks established by provincial governments. The future development of local government for Indians, therefore, can be channelled within either of the two existing frameworks, or within a new eclectic framework which selects from both what seems to be most appropriate to Indian needs. A final possibility is to devise new forms of local government for Indians which differ from that provided by the existing Indian Act, or existing provincial frameworks. Logically, there is no reason why new institutions for Indian local government could not be devised to operate under provincial jurisdiction parallel to the existing structures provided for non-Indians. Or, a new framework for Indian local government could be devised and operated under federal law as the responsibility either of the Indian Affairs Branch or a new branch of the federal government. A necessary preliminary to any decision on the best institutional framework for the development of Indian communities is a brief discussion of the nature of local government in the provincial setting.

The British North America Act in Section 92(8) gives the provinces exclusive rights to make laws dealing with "municipal institutions in the province". Five other classes of subjects assigned to the provinces under Section 92 are of municipal significance: (1) direct taxation within the province in order to the raising of a revenue for provincial purposes (92-2); (2) the establishment, maintenance, and management of hospitals, asylums, charities and eleemosynary institutions in and for the provinces, other than marine hospitals (92-7); (3) shop, saloon, tavern, auctioneer, and other licences in order to the raising of a revenue for provincial, local or municipal purposes (92-9); (4) property and civil rights in the province (92-13); (5) generally all matters of a merely local or private nature in the province (92-16). Section 93 of the British North America Act allocated education exclusively to the provinces, subject to certain provisions with respect to denominational schools.

On the basis of these grants of law-making authority, provincial governments have enacted statutes establishing the basis for local government.

Provincial statutes establish the conditions for the incorporation and pattern of organization of the cities, towns, villages, municipal districts and counties found in Canada. Provincial legislation also has established special purpose bodies dealing with such matters as welfare, education, health, hospitals, and so on.

A consequence of the preceding is that the legal basis for local government activity is frequently scattered through a number of separate acts. In some provinces there are different acts covering different types of municipalities. In many cases the larger cities have their own special charters. The difficulty of understanding the real position of local governments in the provincial framework is further complicated by the fact that numerous other statutes dealing with such matters as public health, education, roads and drainage also affect municipalities directly or indirectly. A publication of the Ontario Department of Municipal Affairs stated recently that there were "some 140 Acts of the Ontario Legislature which affect the administration of municipalities".[1] The chairman of the Municipal Board in Manitoba stated that no one in that province really knew how many provincial statutes were relevant to the operation of municipalities. He then went on to list some thirty statutes which seemed relevant while pointing out that his list was by no means exhaustive.[2]

Municipalities can legally do only those things which the provinces empower them to do, and the provinces in turn can delegate to their municipalities only those powers which they themselves possess under the British North America Act. The powers which a province does, in fact, grant to its municipalities are, of course, a matter of its own choosing. The legal doctrine is that a province "having created the municipality is able to confer upon that body any or every power which the province itself possesses under the Confederation Act".[3]

A consequence of the fact that provincial governments can determine the scope of the functions to be handled by municipal governments is that there are important variations between provinces with respect to the importance of municipalities. This is revealed by the following table which shows the percentage distribution by province of the municipal share of the combined provincial-municipal total expenditure. The figures are for 1960.

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[1] Highlights, Ontario Department of Municipal Affairs, 1964, p.7.

[2] W.J. Johnston, "Relevant Statutes", Municipal Administration and Public Finance in Manitoba, Seventeenth Extension Course, University of Manitoba (Winnipeg, 1964), p. 23. See also Report of the Manitoba Royal Commission on Local Government Organization and Finance, Queen's Printer (Winnipeg, 1964), Chap. II, Part B for a useful survey of the activities of provincial government departments which concern municipalities. Ibid. p. 25, gives a list of the various political and administrative divisions of the province.

[3] Smith v. London (1909), 20 O.L.R. 133, cited in K. Grant Crawford, Canadian Municipal Government, University of Toronto Press (Toronto, 1958), pp. 50-1.

## MUNICIPAL SHARE OF COMBINED PROVINCIAL-MUNICIPAL EXPENDITURE - 1960

| Province | Per Cent |
|---|---|
| Newfoundland | 9 |
| Prince Edward Island | 23 |
| Nova Scotia | 37 |
| New Brunswick | 33 |
| Quebec | 50 |
| Ontario | 59 |
| Manitoba | 55 |
| Saskatchewan | 56 |
| Alberta | 55 |
| British Columbia | 47 |
| Total | 52 |

Source: A.W. Johnson and J.M. Andrews, Provincial and Municipal Governments and the Capital Markets, Working Paper Prepared for the Royal Commission on Banking and Finance, November 1962.

The growing significance of local government is indicated by the increasing percentage of all government expenditures which are made by local governments. This share has been growing steadily since the end of the Second World War, as the following table indicates.

## MUNICIPAL GOVERNMENT EXPENDITURE AS A PERCENTAGE OF TOTAL GOVERNMENT EXPENDITURE

| | |
|---|---|
| 1933 | 31.9 |
| 1939 | 24.0 |
| 1945 | 7.1 |
| 1948 | 19.8 |
| 1951 | 18.0 |
| 1954 | 21.5 |
| 1957 | 23.8 |
| 1960 | 26.9 |

Conditional grants shown as expenditures only of the final spender.

Source: A.W. Johnson and J.M. Andrews, Provincial and Municipal Governments and the Capital Markets, Working Paper Prepared for the Royal Commission on Banking and Finance, November 1962, p. 157.

The growing importance of local governments in terms of service is coupled with an increasing integration of local governments with provincial governments, and to a lesser extent with the federal government. This is reflected in the growing percentage of local government revenue which is derived from senior governments. Grants available to municipalities are of two kinds -- conditional and unconditional. The unconditional grants are paid in many provinces on a per capita basis as well as in amounts which are intended to be in lieu of taxes on provincial property. Conditional grants are made by provincial governments for a bewildering variety of purposes under a variety of conditions. At last count Ontario had 137 different grants available to municipal corporations, special purpose bodies and commissions. According to a recent local government inquiry in Manitoba the province made thirty-nine different grants to municipalities in 1963-64.[1]

The following table indicates the striking growth in the importance of grants from other governments to the revenues of local governments.

PERCENTAGE OF MUNICIPAL GOVERNMENT REVENUE FROM GRANTS FROM OTHER GOVERNMENTS

| Year | Conditional | Unconditional | Total |
|---|---|---|---|
| 1945 | 14.4 | 1.5 | 15.9 |
| 1948 | 19.6 | 1.4 | 21.0 |
| 1951 | 20.4 | 2.8 | 23.2 |
| 1954 | 20.6 | 3.6 | 24.2 |
| 1957 | 24.2 | 4.5 | 28.7 |
| 1960 | 28.6 | 4.1 | 32.7 |

Source: A.W. Johnson and J.M. Andrews, Provincial and Municipal Governments and the Capital Markets, Working Paper Prepared for the Royal Commission on Banking and Finance (Ottawa, 1962), p. 178.

The extent to which provincial governments provide support for and operate through municipal governments and local authorities is revealed by the growing share of provincial budgets devoted to providing conditional and unconditional financial assistance to local government bodies. In the fiscal year 1966 total provincial financial aid came to $1.5 billion, which constituted 29 per cent of total provincial expenditure, which represented an increase of 8 per cent since 1956. Excluding unconditional grants, about one-quarter of provincial government expenditures now provide support for specific services handled by local institutions.

The general increase in the importance of grants in the local government revenue structure reflects the financial inability of such governments to finance the quantity and quality of services demanded at the local level without significant external aid. It is especially noteworthy that few provincial grants to municipalities, only 13 per cent of total contributions to municipalities in fiscal year 1966, are unconditional in nature. This reflects the high degree of provincial control of local government activity through the establishment of standards which local governments must meet as a condition of receiving financial assistance.

A consequence of this growing provincial involvement is that it is no longer possible to describe local government in terms of a local community regulating its own activities in matters of local importance. In many cases local government tends in the direction of being little more than the local administrative apparatus through which the policies and regulations of various provincial government departments are applied at the local level.

Traditional definitions of local government presupposed a local community with its own political institutions making autonomous decisions in the areas of law-making competence with which it had been entrusted. The law-making body was conceived as the group of locally elected officials who were responsive to community demands via the electoral process and their easy availability and accessibility for the individuals and groups affected by their policies. Such a description is now only of historical importance as it bears little relation to the reality of local government on almost every count.

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[1] Report of the Manitoba Royal Commission on Local Government Organization and Finance, p. 175. For a review of the grants available in New Brunswick see Report of the Royal Commission on Finance and Municipal Taxation in New Brunswick, Queen's Printer (Fredericton, 1963), pp. 106-9. A review of the grants available to local governments is not possible here. Summaries are available in two publications of the Canadian Tax Foundation, Provincial Finances, 1965, Toronto, 1965, pp. 58-76, and The National Finances, Toronto 1965, pp. 122-24, 166-71.

First of all the council has declined in significance as the fount of local policy-making. Local government has become "splintered" into a profusion of boards and commissions which have been created to carry out one or more specific functions. This splintering has had the effect of removing an increasing number and range of services from the day-to-day supervision of the municipal councils Park boards, library boards, education boards, recreation boards, road authorities, planning commissions, police commissions and welfare authorities constitute only a few of the almost endless list of boards and agencies which at one time or another have been entrusted with functions which they perform in comparative independence of council. The situation in Ontario is representative of many of the other provinces:

> Today the urban municipalities . . . probably average six or more local boards which share with the municipal council the responsibilities of civic government. In rural municipalities, the number of functions in the charge of local boards is usually less. Yet everywhere, the local board is an accepted part of the machinery of local government.[1]

The policy-making discretion of local elected officials is further reduced by the proliferation of conditional grants described earlier. These grants tend in effect to turn local governments into agencies for the fulfilment of provincial purposes. The growing importance of municipal governments in providing services and amenities for their citizens is thus coupled with a decline in local autonomy. Provincial governments become more and more involved in the activities of local governments which for a growing number of purposes simply become extensions of the provincial administrative apparatus. This trend reflects the growth of minimum standards and professional criteria by which local government services have come to be assessed. Failure to maintain standards at the local level results either in provincial conditional grants to induce more effective performance, the transfer of the function concerned to a more efficient body, or a combination of the two. This emphasis on standards partially reflects the increasing influence of program specialists at the provincial level who are more interested in technical efficiency than in local democracy. From the provincial viewpoint the very large percentage of the provincial budget channelled through local governments gives the province a powerful incentive to regulate and control the activities of such governments. The Manitoba Royal Commission on Local Government Organization and Finance described the situation in that province as a "maze of interrelationships (which) obscures the responsibilities of both the provincial government and of the municipalities". The report suggested that as a result of the "sharing of costs and responsibilities and the system of conditional grants-in-aid, local governments have ceased to be masters in their own house. They tend to be mere agencies of the provincial government". Local governments, as a consequence, "tend to lose their self-reliance and independence".[2]

The decline of the local elected official is also related to the establishment of inter- or supra-municipal bodies which undertake limited activities of concern to all the participating municipalities who usually provide the personnel and the funds. In province after province and with respect to function after function administrative reasons have been brought forward to justify the attrition of the small scale political unit. The arguments for these regional authorities generally reduce themselves to two: (1) the interdependence of the area within the larger jurisdiction, and (2) the economics of scale with particular reference to the increased opportunities which the larger area offers for the employment of specialist personnel.

The consequences of the proliferation of special purpose bodies within the municipality, the development of regional bodies which contain a number of local government units within their jurisdiction, and the controls on local activity which accompany the growth of conditional grants are manifold. They include the whittling away of the responsibilities of elected councils, who are induced to put up funds for purposes they had little chance to influence, a fragmentation of authority with consequent problems of coordination and a lessening accountability to the electorate, and a maze of overlapping special areas which virtually defies comprehension. The most important general consequence has been an undeniable weakening of local governments as effective vital institutions.

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[1] Municipal Clerks and Finance Officers' Association of Ontario, Course in Administration, First Year, Lesson 5, Part B, Queen's University (Kingston, Ont.), 1964, p. 2.

[2] Report, pp. 175, 4, xxvii.

The description of the declining role of local governments as autonomous decision-making bodies has been well described by the Local Government Continuing Committee in its report to the Government of Saskatchewan, which stated:

> The adjustment process in local government has been directed primarily to providing services more effectively, without a corresponding concern for advancing responsible local government and enhancing its democratic values. The piecemeal creation of a new district or board to meet each new need attests to this emphasis, as does the corresponding reduction of significant responsibilities assigned to rural and small urban municipalities. In its proper concern for assuring minimum standards of local services, the province in some cases has chosen the course of combining financial contribution with greater control over the performance of local government. In others it has taken over functions and provided services directly. The general result of the adjustment process has been to dilute local government, limit its responsibility and reduce its significance as a democratic structure.[1]

The situation in New Brunswick is described as follows:

> . . . the municipalities no longer have effective control over the nature of education, welfare, public health or hospitals, or the local institutions involved in the administration of justice. They have become the instruments of the province for the administration of services for which the major policy decisions are and must be made by the provincial government. At the same time, the administration has become so complex that it requires well trained specialists who can only be mustered at the provincial level where adequate salaries can be paid and there is adequate scope for the exercise of their abilities. Considering the very limited population of most New Brunswick municipalities, the use of such specialists is not feasible at local levels of government.[2]

Superimposed on the specific restrictions on local governments which are a consequence of the factors described in preceding paragraphs, there are legal and supervisory controls vested in provincial governments. Although his description refers to the mid-fifties the essence of the situation is well described by Rowat:

> In some cases provincial authorities exercise very wide supervisory powers. The extreme example is Newfoundland, where the provincial cabinet must approve, besides the borrowing of money, municipal by-laws, budgets and in most cases even rates of taxation. In Nova Scotia every municipal by-law must be approved by the Minister of

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[1] Local Government Continuing Committee, "Local Government in Saskatchewan", A Report to the Government of Saskatchewan, Queen's Printer (Regina, 1961), pp. 11-12.

[2] Report of the Royal Commission on Finance and Municipal Taxation in New Brunswick, p. 113.

Municipal Affairs, and in Quebec the provincial cabinet may disallow any by-law. In Ontario health by-laws must be approved by the Minister of Public Health, traffic by-laws by the Department of Highways, and zoning by-laws by the Ontario Municipal Board.

In addition to controls such as these over the by-law powers of councils, the provinces have also gradually introduced controls over council's administrative staffs. The extreme case again is Newfoundland where the cabinet has the right to approve all appointments and to review all salaries. But even in other provinces there are examples of provincial approval of certain appointments or of qualifications for appointment, and provincially established standards of qualification. In some cases certain officials can't be fired except with provincial approval, and in others provincial authorities may, under certain conditions, dismiss municipal officials, appoint others in their place and fix their rates of pay. Some provinces also limit the right of councils to reduce the salaries of certain officers, and some give the final decision on rates of pay to the courts or special boards of arbitration.[1]

While it is possible that some of the controls imposed by senior governments on local government activity are arbitrary or reflect historical conditions which no longer prevail, it generally seems to be the case that these controls are responses to pressures and needs which were and are inevitable. The general public over time has come to demand more governmental services, and services of a higher standard. Provincial civil servants have become increasingly professional in background and outlook and consequently apply pressures of various sorts for higher standards of local performance. Most local governments are incapable of responding to these demands as they lack the service of persons with specialized training and experience. Only in the larger urban centres do local governments employ significant expertise, and it is noticeable that provincial controls are far fewer and less pervasive in such cases. In general, therefore, the failure of local governments to employ specialized staffs, a failure which frequently reflects incapacity, renders them incapable of the kind of effective performance demanded by the public and by the provincial government. The establishment of provincial controls of various kinds inevitably follows. The assumption of provincial control is facilitated by and reflects the growing financial involvement of provincial governments in local government activity. Given the size and administrative capacity of the smaller local governments it seems that a relaxation of provincial control would result in a decline in the effectiveness with which services at the local level are performed.

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[1] D.C. Rowat, Your Local Government, MacMillan (Toronto, 1955), pp. 106-7.

## Conclusions & Recommendations on Local Government

The Indian Affairs Branch is presently engaged in an active policy designed to render more normal the relationship of Indians, as individuals and as communities, to federal, provincial and local governments. Concurrent with and in support of these changes in the relationships of Indians to governments in the federal system attempts are being made to stimulate progressive social change by community development techniques. Although considerable success has been achieved in bringing individual Indians within the educational structures of the provinces, little progress has been made in bringing Indian communities into the municipal frameworks of the provinces. Thus far the Branch has devoted little thought to the mechanisms of change in this area, and even the general policy seems unclear, although policy documents of the Branch declare that one of the principal aims of Branch policy is "the organization of Indian communities and the training of Indian leadership capable and prepared to assume and discharge community responsibilities within the normal framework of provincial-municipal relationships."

Continuation of the present situation of internal colonialism is unacceptable for the following reasons:

1. It lacks the support of virtually all interested groups. Two parliamentary committees have advocated an extension of local government powers to Indian bands. The 1946-48 Joint Senate and House of Commons Committee recommended "That such reserves as become sufficiently advanced be then recommended for incorporation within the terms of the Municipal Acts of the province in which they are situate." The 1959-61 Joint Committee of the Senate and House of Commons suggested that "the government should direct more authority and responsibility to band councils and individual Indians with a consequent limitation of ministerial authority and control, and that the Indians should be encouraged to accept and exercise such authority and responsibility," and stated that they concurred wholeheartedly with "One of the predominant themes of the Committee hearings . . . (that) . . . Band Councils should have increased power, responsibility and authority." Indians themselves are becoming increasingly restless over the absence of local autonomy, and this trend will undoubtedly be speeded up under the influence of community development programs. Indian leaders increasingly want to plan, organize and execute programs affecting their welfare and progress. A summary of the representations made before the 1946-48 Joint Committee noted that there was virtual Indian unanimity on the subject of an increased degree of local autonomy and self-government for bands. Similar attitudes prevailed at the more recent 1959-61 Joint Committee. Finally, the Indian Affairs Branch is unwilling to perpetuate a system of local paternalism which conflicts with its general policy of providing more opportunities for Indians to be effective participants in Canadian society.

2. In terms of principle it is becoming increasingly impossible to justify an absence of Indian particpation at the local level when Indians have obtained the vote at the federal level and in all provinces but one. Local government changes are designed to advance communities of Indians to the fullest level of local autonomy compatible with reserve socio-economic conditions, and the necessity for reasonable efficiency in service provision.

3. Individual and band enfranchisements are not, as was once hoped, occurring at a rate sufficient to reduce the reserve population of Indian status people. It thus becomes necessary to recognize the long run existence of many Indian communities and reserves, and to plan for their governance in such a way that opportunities for the effective expression of local influence on local decisions will be increased.

4. The costs of not changing the present situation are high, for the absence of significant elements of self-government deprives the Indians of one of the most important educational experiences they could encounter. There is a pressing need for Indians to learn to cope with non-Indian society. An important aid in this respect is political competence. Government of the reserve by means of a council can be an exercise in the development of political skills. A responsive local government can obviously do much to increase community interest and in favourable circumstances tap enthusiasms and energies in a way impossible for a government conceived as representing outsiders. Local self-government can thus provide opportunities for the public to influence the decisions which affect their lives, and for a small group to gain the experience and confidence which comes from assuming responsibilities.

5. In some cases there has been a temptation to see self-government as a means for encouraging the withering away of the Indian Affairs Branch. A number of internal memoranda mention a reduction in Branch staff and "arresting or even curtailing the increasingly heavy outlay now being made from public funds" on behalf of Indians. This approach is almost certainly invalid. First of all, the saving of funds is only one of many possible policy criteria. Second, it is worthy of constant repetition that in comparative terms Indians have been low cost members of the Canadian community. What is required is an assessment of Indian needs to determine the financial requirements of alternative solutions, and then careful scrutiny of actual expenditure in terms of policy objectives. Third, it seems likely that at least in the transitional period there will be an increased demand and need for technical and supervisory help.

6. The importance of local government resides essentially in the fact that it is at the local level that the administrative and political consequences of Indian status have had their greatest impact. It is only at this level that Indians can acquire any collective freedom. They are obviously prevented from acquiring nationhood, and their political impact at the provincial and federal level, while growing, will never be more than marginal. At the local level, however, they could acquire the small degree of autonomy possible for any small community in the mid-sixties.

While the preceding would probably find general agreement, the translation into mechanisms of local government development of the deep concern now widely held is not easy. At its broadest level the problem of choice is whether or not the advancement of Indians to self-government at the local level is to occur within the existing (or a revised) Indian Act, or within the framework of local government devised by the provinces for their non-Indian residents. According to Branch documents the ultimate goal is clearly for the reserve community to operate as a municipality within the appropriate municipal-provincial structure, receiving the same grants, carrying out the same functions, accepting the same responsibilities, and subject to the same controls and limitations as apply to non-Indian communities at equivalent social and economic levels of development. In other words, the objective is not simply self-government, but self-government within the provincial-municipal framework. The alternative of the band operating independently of the province and of other municipalities in a direct relationship with the federal government is regarded as unacceptable.

Paradoxically the present situation is one in which there is little relationship between ultimate objectives and actual policy and practice. While the Branch accepts the principle of working for self-government within the provincial framework, in practice the development that has taken place has tended to be within the framework of the Indian Act. Relatively little progress has been made in integrating Indian communities into the provincial-municipal framework of government, and relatively little attention or effort has been directed to this objective.

The lack of progress in the area of local self-government is related to the following factors:

1. In contrast to welfare and education there has been less public pressure to change the existing situation. As a result there is less political payoff involved in introducing changes in this area. This is especially true because the possibilities of failure are much greater.

2. The introduction of change is legally and administratively exceptionally complex. In the words of a senior offical: "Section after section of various Acts reflecting municipal administration have been gone over but have been found impossible to apply on a reserve when one considers local customs and usages, the Indian Act and the many regulations surrounding our operation."

   The placing of Indian communities within provincial-municipal frameworks requires the cooperation and consent of a large number of provincial departments. Not only are departments of municipal affairs obviously involved, but also all other provincial departments which administer grants or programs which work through local government institutions. Legislative change at the provincial level would undoubtedly require amendment of the relevant act or acts pertaining to local government, and also possibly amendments to a large number of other provincial acts, depending of course on the nature and extent of Indian incorporation into provincial-municipal frameworks.

   From the federal side it is evident that amendments to the Indian Act would be required. More important than the legal changes required would be the fundamental change in the relationships of Indians to the Branch. Traditionally the Indian Agency has been the basic focus of Branch administrative activity. The transferral of local government functions to Indian communities operating within municipal frameworks established by the provinces would render the Agency an anachronism. A corollary of this is that the successful introduction of change in this area would be of decisive importance in eliminating much of the remaining differential treatment by governments which is still a consequence of being Indian.

   It should be noted, however, that the extension of local self-government to Indians does not equal assimilation or integration. If these are taken to mean the disappearance of the Indian group as a culturally and socially distinctive sub-unit of the larger national society, then the political independence and viability of the Indian community implies something quite different--continued existence as a distinct unit. While the structures through which such self-government will operate may be similar to those employed by non-Indians the result will inevitably be some increase in the capacity of Indians to determine their own future.

3. Of special importance as a reason for the comparative absence of success in this area is that successful change requires positive Indian capacities of will and ability for its success. Self-government at the local level entails administrative capacity, financial viability, leadership qualities and so on. Unlike the extension of the franchise, or the inclusion of Indians in the categorical welfare programs, or even the introduction of Indian children into provincial school systems--programs in which Indian inclusion can be formally obtained almost regardless of the capacity of the Indians concerned--the introduction of local self-government cannot be essayed without a number of prerequisite conditions which are frequently lacking.

The diversity of conditions which Indian communities encounter, and the diversity of capacities they possess make any general solution to self-government impossible. Paucity of population and resources, jointly or separately, preclude any imminent possibility of significant autonomy at the local level for many Indians. Small populations and scanty resources render difficult the economic utilization of specialized personnel, without which local services cannot be provided at standards acceptable by the larger society and by senior governments. It is this basic fact which explains why provincial controls over local governments are most stringent with the small rural authority and least onerous with the larger local units capable of recruiting professional skills into their administrative staffs.' Senior governments are inevitably concerned with the financial viability of local governments. In general the smaller the local unit, the more vulnerable it is to adverse economic conditions since it lacks the resource and occupational diversity capable of providing a cushion against economic fluctuations. Hence the financial concerns of senior governments who bear ultimate responsibility for the fiscal performance of junior governments will lead them to exercise more control over the smaller unit than the larger. Provincial governments provide important advisory, counselling and training services for local governments. The greater the extent to which these services can be exploited the greater is the likelihood that the local government will be able to avoid the more direct forms of provincial control. Unfortunately, the smaller units of local government usually lack the local skills or the permanent staff required to exploit the opportunities offered by senior governments to improve their performance. Finally, the prevailing tendency in contemporary public administration is to stress impersonal, bureaucratic norms of interaction between citizen and official. It is this, for example, which accounts for the general tendency towards categorical payments and the elimination of the means test in income maintenance programs. Small local governments, whether Indian or White, tend to be much more personal and less bureaucratic than larger local governments. From this perspective the larger the unit of local government, the more likely it is to conduct its business in accordance with impersonal, formal bureaucratic practices, and hence most likely to escape control by senior governments. Thus the small size of many Indian communities, their poverty, and the absence of developed administrative structures constitute basic limiting factors which preclude a high degree of local control. Size, wealth, and administrative capacity collectively influence the extent to which senior governments will allow local autonomy to the junior governments for whose conduct they are ultimately responsible.

Here it should be noted that the position of many Indian communities does not differ significantly from that of non-Indian communities which are small, isolated, and possessed of a low tax base. Such communities strung across the north of Canada usually possess only rudimentary local government structures, and in many cases they are directly administered by provincial officials. For many Indian communities the barriers to greater local control do not lie in legal or constitutional restraints, but in endemic socio-economic factors in their community existence.

The existing situation clearly indicates that decisive moves in the direction of increased Indian self-government will not be easy for many bands. Ultimately the capacity to govern relates to specific functions--roads, education, public health, welfare, etc. The distinguishing feature of most of these services is that their most effective undertaking depends on size which dictates the possibility of employing specialist personnel, and making economical use of expensive capital and facilities. It is to a large extent the technical requirements of modern service provision which account for the fact that the devitalizing of local government has gone furthest with the smaller units of government. Local Government in Saskatchewan, an outstanding analysis of local government problems in that province, came to the following conclusions with respect to the requirements of size for efficient administration of basic modern services. The Committee concluded that the preferable size for road building purposes was forty townships with an average road mileage of 744 miles, and an average population of 7,600. For public health the Committee estimated that "the minimum population required to economically employ specialists in medical health, diagnostic services, health education, and so forth, is deemed to be at least 50,000." The Committee estimated that "the efficient administration of a comprehensive social welfare programme and the employment of modern treatment methods require a population of 35,000 or more. The minimum is based on the expected case loads for welfare workers and the employment of skilled supervisory and administrative staff." For education the committee recommended four criteria to govern the definition of an efficient size: (1) "The size should permit the development of regional high schools of four rooms or more. (2) There should be a maximum opportunity for the development of composite high schools. (3) There should be a maximum travelling time to school of one hour for elementary school students and one and one-half hours for high school students. (4) An average pupil load of 1,800 to 2,000 and an average number of teachers from 70 to 80 should be achieved from the standpoint of supervisory and administrative load." (pp.27-31)

The Committee suggested that a reversal of the trend to a persistent erosion of local government autonomy was based on increasing the size of the municipal units for the following reasons:

(1) Larger units of local government can economically utilize specialized personnel, and this generally makes for less control by central government.

(2) Larger units are often less vulnerable financially to adverse economic conditions than smaller units, and on this basis less central control may be appropriate.

(3) Larger units create possibilities for the more effective use of advisory and training services of provincial departments than do smaller ones.

(4) Larger units encourage impartiality in the design of local programs and the administration of local services. (p.31)

If the above argument is generally valid, if the factors of scale do have the decisive importance in the quality of service provision attributed to them by the Saskatchewan analysis, and if the viability of many Indian communities in terms of population and resources is at best marginal, then the prospects are not especially bright. Superficially, it would seem that either many Indian communities have to be satisfied with inferior and probably more expensive services, or their autonomy has to be partially submerged in larger regional units of government in which their influence will not be decisive in determining policy. In many cases, of course, the latter option does not exist as the communities concerned are so isolated from other communities that integration for the purpose of providing particular services is not possible.

In a significant number of cases Indian communities are almost totally devoid of the resources required to sustain existing and growing reserve populations at acceptable standards of economic existence. A fundamental policy objective is to increase Indian standards of living and Indian participation in the economy. It seems likely that as Indians acquire more knowledge of the material benefits of the larger society through education in provincial school systems and through various communications media their desires for both private and public goods will increasingly parallel those of Whites. The satisfaction of these desires will necessitate the movement of many individuals to areas where market factors are more favourable.

It must be assumed therefore that there is no long run future for Indian communities which lack an adequate resource base for their rising populations. A corollary of this is that it is not sensible to expend major public funds on community facilities which presuppose a stable moderately prosperous community. The more appropriate expenditures for economically depressed communities may properly be called mobility expenditures, a category which covers grants for educational and vocational upgrading, financial and counselling assistance in the migration process, and financial assistance and adjustment services in the new community of arrival. Such communities require encouragement in seeking out the market opportunities, by migration if necessary, that are necessary for the economic advancement of their members. Clearly the local government needs of such communities are not for playgrounds, zoning regulations, sidewalks, and expensive community facilities. For such communities the kind of local government which is appropriate, and the kinds of services which are suitable have to be conditioned not only by the existing state of economic backwardness, but by the additional factor that the economic advancement of community members will clearly require at least a partial exodus in search of better living standards.

The development of such a mobility policy should not be viewed as coercive for it simply represents the encouragement and guidance of the trend already manifest in the movement of many young Indians off the reserves in response to market factors. Further, such a policy has already been adopted by the Canadian government in most explicit form under its Manpower Mobility Program, for which, incidentally, Indians are eligible. For the migrating individuals, and in some cases the entire community may decide to move, the local governments in which they can be expected to participate will be found in the areas to which they go rather than in the economic backwaters in which they presently reside. Local government policy therefore, must be integrated with economic policy. Already there are indications that a number of existing government programs are giving an air of permanence to communities which have no logical economic justification for their existence. As Dunning says:

> These bush communities are developing under an apparent policy of government sponsored education and welfare benefits. The latter in the form of housing, medical services and monetary welfare and relief grants create an atmosphere of permanence. There is a tendency to stay on at traditional summer fishing camps. A typical remark heard was, 'It's a nice place, and maybe someday they'll find gold or oil here.'

The necessity of blending economic policy and local government policy will not be easily resolved. An aspect of the dilemma was noted by one of our field workers in a comment on the tension between community development and relocation. "At present these programs sometimes conflict, for they find themselves competing for the same individuals; on a small reserve, likely candidates for relocation and job placement will probably also be potential leaders in community development schemes." Resolution of the dilemma should not mean the sacrifice of local participation in decision making for the sake of maximum migration. Emphasis on those who will leave for the sake of economic advantage should not mean ignoring the needs of those who remain for some public facilities and some participation in the making of local decisions. Indians, like the rest of us, will make their own decisions about the content of the good life. Some will decide to go. Others will decide to stay. What does have to be recognized is that local government for depressed communities will probably have different functions than for viable communities. It will have to take account of the impact of emigration on those who remain behind, and it will have to adapt itself to the needs of intending migrants for preparation for non-reserve living. The nature of our research does not allow us to be more specific than is revealed by the above indications of the general orientation of our thought. It can be safely stated, however, that while the nature of the decisions they respectively make will doubtless differ, the desirability of Indian participation in decision making is just as important for migrants as for stable residents, and just as important for the resident members of depressed communities as for the resident members of communities endowed with reasonable resources.

The slow rate of progress in developing Indian local government is closely related to the difficulties which such development must confront in many Indian communities. The problems, however, have been compounded for the simple reason that no serious efforts have been made to overcome them. What is done in a public agency largely depends on the assignment of duties in the administrative structure. No one in the Indian Affairs Branch has been given specific responsibility for policy formation in this area, almost no research has been undertaken, and there is an almost total lack of contact with provincial Departments of Municipal Affairs and with the numerous local government associations and private groups that are active in the local government field.

The isolation of the Branch from provincial officials whose activities are directly and indirectly concerned with local government has meant an absence of the kind of intimate intergovernmental contact which is so helpful and necessary in eliciting provincial cooperation and tapping provincial expertise and services. It is partly this isolation of the Branch which explains the ambiguities and contradictions in existing Branch policy in the local government field. While the general policy of the Branch has been to move Indians into the provincial framework of local government, the conduct of the Branch has been devoted almost exclusively to enhancing Indian self-government within the framework of the Indian Act. Except in the sense that White local government has constituted a vague model from which Branch definitions of local government have been derived there has been no continuing attempt to assess the advantages which might accrue to Indian communities from a direct involvement of a number of provincial officials in their affairs. The contrast between general policy and specific actions also reflects the natural temptation of administrative bodies to push ahead in areas they can partially control rather than in areas where their control is minimal.

The absence of any continuing focus of administrative concern for local government is especially striking when contrasted with the personnel devoted to the supervision and control of Indian lands and funds. The administrative concern which views the reserve and the band in the light of the protection and expansion of Indian assets needs to be counterbalanced with a concern for the development of the institutions and processes of self-government on the reserve. We recommend therefore that a specific Local Government Bureau be established in Indian Affairs which will have the responsibility for policy formation in this area. As part of its responsibilities such a Bureau should be engaged in a continuous review of progress towards the goal of self-government for the reserve community. The Bureau should undertake the selection of those reserves with enough potential in terms of economic resources and population density to warrant the promotion of local government as conventionally understood. For reserves whose viability is questionable or lacking the Bureau should undertake research and attempt to devise new procedures with a democratic content which will prove, hopefully, capable of minimizing the administered condition which is usually a concomitant of poverty. As indicated in earlier sections of this chapter the conventional wisdom is that the lack of population and resources is incompatible with more than a modicum of local autonomy. More generally, the conventional wisdom suggests that a choice has to be made between the provision of a level of services of an acceptable quality which is beyond the capacity of the local community to finance on the one hand, and on the other hand a significant degree of local autonomy for such communities. These beliefs have been designated the conventional wisdom rather than unimpeachable fact because of a suspicion that sophisticated, research oriented attempts to refute them may be successful in whole or in part. It is possible that the conventional wisdom and the apparent logic which sustains it reside largely in the collective minds of the administrators whose treatment of small communities makes it 'true', rather than in inherent, inescapable factors in the situation itself. At the very least, and given the absence of research oriented to the governing of small communities in societies obsessed with metropolitan problems, the attempt to make self government possible in spite of poverty and smallness is worthy of making. The task may be facilitated if it is remembered that the goal is not necessarily a stereotyped model of government which prevails in the textbooks, but the devising of instrumentalities to allow groups of people, both large and small, to have some collective say in shaping their destiny. While there are limits to the degree of flexibility that is possible, limits in part set by certain other recommendations made in this chapter, and limits set by the nature of the society in which all of us live, we suggest that these limits be empirically verified rather than taken for granted.

The Bureau will, of course, promote local government both by consultations with Indians and Branch field personnel, and by encouraging structural changes in bands, such as amalgamation or federation when such will contribute to the viability of the community. The Bureau should be research-oriented so as to isolate problems and make recommendations for their solution. Such a division should provide and stimulate liaison with provincial Departments of Municipal Affairs, and all other provincial departments which operate programs and grants which are channelled through local government institutions. As suggested below, one of the main functions of such a division will be to obtain Indian inclusion in the numerous provincial and federal grants which are provided local governments for a variety of purposes.

A basic function of this local government bureau is suggested by the Municipal Administration Advisers of the Government of Saskatchewan. In general, these advisers have a three-fold task--(1) to perform straightforward inspectional work to ensure that municipalities are conducting their affairs according to the relevant legislation and directives of provincial Departments; (2) to keep the municipalities informed of effective procedures of administration; (3) to perform a "trouble shooting" function in helping individual municipalities with particular problems. With suitable alterations for the particular needs of

Indian communities in the local government field it seems that a roving inspectional and advisory service of this nature could perform an important role in the governmental development of Indian communities. An obvious function should be the undertaking of an invigorated educational program to ensure that bands, and particularly band councils, have a good understanding of the Indian Act, particularly those sections which refer to the functions and powers of band councils.

It seems to us to be premature to decide whether or not the ultimate locus of Indian local government is to be within the provincial framework, that of the Indian Act, or some mixture of the two. We suspect that ultimately it will be a mixture, but we feel that the determination of such fundamental decisions must be left to the Indians themselves. What must be done at present is to devise arrangements which will maximize the information available to the groups most intimately concerned, the Indians, the Indian Affairs Branch, and the province. It is essential therefore that contacts be opened up between Indians and the Indian Affairs Branch and provincial governments, particularly departments of municipal affairs. Further, the gradual steps towards the development of self-government under the Indian Act cannot ignore the future possibility of Indian communities being placed within the municipal frameworks of the provinces. To the greatest extent possible, therefore, Indian communities, while retaining their distinct status and remaining anchored in the Indian Act, should be encouraged to develop the same kind of relationships with provincial departments, and with the various forms of regional government tending to develop in all the provinces as would exist if they were not Indian communities.

At this stage we do not advocate decisive steps to transfer the responsibilities for Indian local government to the provinces. In addition to the obvious fact that any such attempt would undoubtedly encounter serious Indian resistance, we are not convinced that on balance such a change would be beneficial to the Indian people. The natural desire to eliminate differential treatment between Indians and Whites must be restrained by an examination of the advantages and disadvantages likely to ensue from such changes in each specific case.

The basic disadvantage of the provincial structure of local government is that it bears little resemblance to the classical notion of a group of people acting as a highly participatory democracy and making their own decisions with respect to numerous matters of local concern. The political institutions of the local community are fragmented and splintered in two different ways. A proliferation of special purpose boards, committees and commissions has taken many important policy matters out of council hands. At the inter-municipal level there is at present a striking trend towards larger units comprising a number of municipalities within their jurisdiction for specific functional purposes. All of these trends are manifestations of the perceived inadequacies of small local governments in terms of scale or professionalism for policy-making in an interdependent society. The autonomy of local governments is further reduced by the conditional grant apparatus of the province which tends in the direction of making local governments little more than administrative extensions of provincial departments for aided purposes. In these circumstances the local community cannot be regarded as self-governing in a vital sense.

This implies that the complete movement of Indian communities into provincial frameworks of municipal organization might only provide limited gains in self-government. This assumption is enhanced by the fact that in all provinces except Nova Scotia and New Brunswick the northern, sparsely settled areas are not municipally organized. These areas, usually divided into Local Improvement Districts, are administered directly by the provincial government. Outside of these two provinces, the great bulk of the provincial land area is outside of municipally organized areas.

Many Indian communities, therefore, if placed within the provincial framework would derive no increment of self-government from the change at all. In many cases they are in the same areas and possess the same characteristics as non-Indian communities subject to direct administration by provincial officials. Even where these extreme limiting conditions do not exist we find little evidence that provincial officials have devised better methods of self-government than has the Indian Affairs Branch. Indeed, we would suggest that the Indian Affairs Branch has much more experience in the handling of the governmental matters of smaller communities, and that given its present orientation towards community development and self-government it is a more appropriate agency for attempting to develop self-governing political institutions for the communities over which it now has jurisdiction than the provinces would be.

Thus at the present time we feel that the Indian Act constitutes the appropriate legal structure for the development of Indian local government. The Indian Act has provisions to cover the essential procedures of local government, including the choice of a representative body, by-law authority, revenue raising authority and authority to make expenditures. The Act has the added feature, not found in municipal acts, of enabling a band to choose its representative council either by election or by custom of the band. Additional flexibility is found in Section 68 of the Indian Act which provides for the expansion or contraction of council's management of its revenue moneys as circumstances dictate.

The majority of Indian bands are possessed of such small populations that under existing provincial legislation they would only qualify for minimal local government status. The controls to which they would be subjected are at least as rigorous as those found in the Indian Act. An additional barrier to the transfer of Indian bands to provincial jurisdiction in the local government field is that there are communal aspects to local government on reserves which are not found in municipalities. Band councils possess authority with respect to band membership and band assets and also engage in communal business enterprises. These kinds of activity which are perfectly compatible with the Indian Act could not be accommodated to existing municipal acts. As a result it would either be necessary to make important changes in the nature of council responsibilities, or make important changes in provincial legislation governing municipalities. At this time the benefits which would flow from such change seem minimal compared to the disruption that would be caused.

On the whole it seems likely that the possibility of imparting flexibility to the framework of Indian local government is much greater when the responsibilities reside with a Branch whose concern is exclusively devoted to Indians than would be the case with provincial governments for whom Indians would only constitute a small and weak minority with no specific focus of administrative interest concerned with their special needs.

Local government can be regarded not only from the viewpoint of its democratic nature, but also in terms of the services it provides for its local inhabitants. The basic importance of White local governments is that they constitute the vehicle through which a wide range of services in the fields of health, education, welfare, roads, police protection, recreation, and municipal services generally are made available to the local citizens. These services are heavily supported by the provinces and are subject to varying degrees of provincial control. The local community in the provincial setting therefore can be regarded as the focal point of a complex series of administrative and political networks which can only be marginally controlled by the communities they affect. The range and quality of local services to be provided through local institutions is ultimately decided in the interaction of federal, provincial and municipal electorates, elected members and appointed officials. The distinguishing feature of the contemporary arrangements which constitute White local government is that the importance of local government services is increasing at a time when the element of local determination, initiative and discretion is declining. The justification for this kind of local government cannot be found in the democratic belief system with its emphasis on local control of local matters, but rather must be found in such technical criteria as efficiency, economies of scale, and demands for high quality services. The importance of White local governments is therefore undeniable in terms of services, but much less impressive, especially for the smaller community, in terms of local autonomy.

At the present time Indian communities use the Indian Act as the instrument for their local government structures and powers. In addition, however, they are with rare exception, outside the framework of provincial municipal integration which is so important in financing and determining the policies which are to apply at the local level. This alienation of Indian communities is largely a product of history and the prevalent assumption that because they are not legal entities and are not subject to the municipal codes of the provinces they cannot, or should not, be treated as if they were municipalities for the variety of provincial purposes which operate through local governments. We shall suggest below that this isolation of Indian communities is unnecessary, unnatural, and should be drastically changed.

In general we do not feel that it is desirable to treat the problem of Indian local government in the either/or terms of the Indian Act or the provincial-municipal framework. Rather, we suggest a partial blending of the two frameworks within the context of an experimental approach which will provide an opportunity for knowledge to be gained from experience. While the ultimate goal of self-government and adequate local service provision is perhaps clear in principle, the process for arriving at that goal and the actual position of Indian communities vis a vis the Indian Act and the provinces is very unclear. The next steps in Indian local government should be regarded as transitional and experimental. They should be designed so as to test the various alternatives available and by so doing increase the possibility of wise choices at the subsequent stage.

It is important that policy in the field of local government should be left open. The problem of transforming Indian reserve communities into local government entities under provincial authority is far more complex than the extension of virtually any other provincial service to Indians. Accordingly it is suggested that this should not constitute an immediate goal for local government policy, but should be viewed as a possible long run objective, the advantages and disadvantages of which will become more apparent as additional experience is gained. It is worthy of reiteration that there has been little experience in the local government field compared to other areas such as education and welfare where recent history provides some guide to the policy-maker. In the near future, much more data should be available to guide policy makers in this field. The experience of the Michel Band since enfranchisement, the impact of community development, the handling of welfare by Indian bands under the Ontario General Welfare Relief Assistance Act, plus some of the suggestions made for change in this report all constitute valuable data for analysis and interpretation.

An experimental approach does not only mean that because the future is uncertain and change is complex that rash action should not be undertaken. It essentially means that existing and future policies should constantly provide a growing body of data on the basis of which additional decisions can be made. The nature of the approach adopted should be such as to throw together the groups who must ultimately make the relevant decisions in the future. As noted earlier there has been very little contact between Branch and provincial officials in the local government field and very little between Indians and provincial departments which are intimately related to White local governments. Should this degree of isolation continue the possibility of perpetuating federal 'islands' in the midst of provincial territory is immeasurably increased. We doubt the desirability of such a goal, but even if it does become so such a choice should be made deliberately on the basis of adequate knowledge. We feel, therefore, that partial and ad hoc integration of Indian communities into the provincial municipal framework should be deliberately and aggressively pursued while leaving the organizational, legal and political structure of Indian communities in the Indian Act.

We feel it to be of key importance that Indian and Branch participation be sought and obtained in the various local government associations which exist in every province and at the national level. It is astonishing that the Indian Affairs Branch which has been responsible for providing local government services for Indians should not have developed intimate and continuing contacts with the Canadian Federation of Mayors and Municipalities, the various provincial associations which exist, and the growing number of professional groups of secretary treasurers, town clerks, town planners, etc. Both at the political and the official level these associations could provide helpful opportunities for Indians and non-Indians to become more acquainted with each other. At a minimum such contact should help overcome the negative attitudes typically displayed by local government associations towards Indians.

With rare exceptions these associations have tended to see Indians as problems who, when off the reserve, added to the costs of welfare, policing or gaol facilities. Resolutions discussed at the conventions of the Canadian Federation of Mayors and Municipalities have been nearly entirely negative in their orientation. Three resolutions forwarded to the 1959-61 Joint Committee of the Senate and the House of Commons on Indian Affairs which had been discussed at recent Federation Conferences contained (1) a request that the Federal Government assume full cost of Municipal Aid and Hospitalization for off-reserve

Indians (1958), (2) a request that the Federal Government contribute to the cost of maintaining Indian prisoners, described as "wards of the Department of Indian Affairs" (1958); and (3) a request that the Indian Affairs Branch control mosquito breeding on reserves close to municipalities, which concluded:

> And be it further resolved that in cases where an Indian Reservation in proximity to a municipality has been proved to be a nuisance and a detriment to such municipality that, for the better welfare, of both Indians and the municipality and as a measure of Public Health, the location of such reservation shall, at no expense to the municipality, be removed to a more distant point. (1940)[1]

The typically limited and usually negative attitudes of the various municipal associations partially reflect the unfavourable experiences of local communities with off-reserve Indians.[2] In addition, however, they are reflections of ignorance which could be countered by Branch and Indian participation in their affairs. The interaction of Indian and White local government representatives is also desirable in view of our recommendation that Indian communities be accorded, wherever possible, the same treatment by Provincial Departments as is received by White local governments.

We have already noted the extent to which local government in the provinces is closely integrated with a number of provincial departments through the many provincial acts and policies which operate through municipal institutions, and the extensive and diverse conditional, and to a lesser extent unconditional, grants available to local governments for specific purposes. This interdependence of provincial and municipal governments is so marked that the integration of Indians into the provincial community can only be partial as long as Indian reserve populations are prevented from gaining access through their own political institutions to the same grants and services that are available to Whites through their municipal institutions. We are not suggesting the incorporation of Indian communities into the structure of local government established by the provinces, but rather the treatment by the provincial government, in general terms, of Indian communities which are outside that structure in the same way as White local governments for the purpose of grants, subsidies and other cost-sharing programs.

In a general way there are three major categories of provincial interest in local governments. (1) The most obvious interest is with the municipal organization and administration of local governments, usually handled by the Department of Municipal Affairs. (2) Provincial governments have an interest in and supervisory relation with local governments in connection with their financial stability. (3) A number of provincial departments concerned with the provision of particular local services--Education, Health Welfare, Roads, Recreation, Agriculture, etc.--depend heavily on local governments for the implementation of their policies.

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[1] Joint Committee, 1960, pp.895-96. The last suggestion was not as revolutionary as might initially appear. Section 52 of the repealed Indian Act provided that a Judge of the Exchequer Court could hold an inquiry to decide whether it was in the interest of the public and of Indians of the band concerned, when an Indian reserve adjoined or was situated wholly or partly within an incorporated city or town of not less than 8,000 population, for the Indians to be removed from such reserve and given another one. The Judge's recommendations required the approval of a Parliamentary resolution.

[2] In marked contrast to the limited and usually negative interest of municipal associations has been the much more positive and sympathetic interest displayed in Ontario. The Ontario Recreation Association established a sub-committee to study the recreational facilities and needs of Reserve Indians. One of its objectives was to have Indian reserves considered as municipalities for the purpose of receiving provincial grants and services for recreation in the same way as non-Indian municipalities. In a brief to the Select Committee on Youth of the Province of Ontario the Association recommended equivalence of municipal status for bands under provincial programs of adult education, recreation, camping, physical education, parks, playground, evening classes under the Department of Education, community centers, and museums. (Brief submitted to the Province of Ontario, Select Committee on Youth, January 7, 1965). The Ontario Municipal Association has also displayed a positive interest, and at the 1962 Annual Convention Indians participated in a discussion on the topic "Do Reserves Lend Themselves to Municipal Government?" At this same convention the Association passed a resolution advocating early implementation of the recommendations of the recently complete Joint Senate-Commons investigation of Indian Affairs.

It seems to us that the obvious approach to the movement of Indian communities into the provincial framework is through the third category, and to a lesser extent with the first two categories when they can provide important advisory and counselling services for Indian local government The utility of this approach is that it can be wedded to the existing status of Indian communities. It thus provides a vehicle for the elimination of differential and discriminatory treatment without raising the technically complex and emotionally sensitive problem of the ultimate compatibility of the reserve system and Indian status with local government as understood by provincial officials.

We recommend therefore that equivalence of municipal status should be given to reserves for the purpose of federal and provincial grants and shared cost programs which operate through local government institutions. The purposes of these grants are often as relevant to Indian communities as to their White counterparts. The inclusion of bands within provincial programs is a necessary part of extending provincial services to Indians. Band councils will be given the opportunity of dealing directly with provincial officials, an experience which should prove helpful for bands which might later contemplate municipal status under provincial legislation. Finally, of course, the grants will help to raise the quality of services available to Indians on reserves to a level more comparable to that enjoyed by White communities.

The diversity of grant arrangements in each province, and the differing grants available to local governments at different stages of development make it difficult to concretely specify the mechanisms for attaining this goal. We suggest, therefore, that the Local Government Bureau whose establishment we have already recommended should have as one of its main functions the development of techniques of intergovernmental collaboration so that this objective can be successfully pursued. In conjunction with the relevant provincial officials a review should be undertaken of all provincial legislation which operates through local governments, an evaluation of the extent to which the application of such legislation to Indian communities would be compatible with the special reserve status of Indian communities an evaluation of the seriousness of Indian exclusion, and the devising of formulae by which Indian communities could be brought into the same kind of relationships of a financial and advisory nature with provincial governments as are enjoyed by their White neighbours.

The assumption behind this recommendation is simply that retention of Indian status, individually and collectively, is perfectly compatible with possession of the normal rights and privileges accorded to Whites as individuals and as members of local communities. This is the same approach that has been finally adopted with respect to the extension of the franchise to Indians. For years it was argued that the franchise was incompatible with Indian status, in particular the tax exemptions under Section 86. After 1960 it became perfectly compatible. Historically, specific facets of Indian status have been used as reasons for depriving Indians of numerous services and privileges available to non-Indians. On the whole these reasons have been reflections of mental ingenuity founded on no real incompatibility, constitutional, treaty, or logical, between Indian status and the service or privilege in question. There was, for example, never any real incompatibility between Indian status and the franchise, between Indian status and participation in government pension schemes for the aged, between Indian status and the receipt of child welfare services from a regular Children's Aid Society. In the same way there is no real, only an assumed incompatibility between numerous provincial programs and the Indian reserve communities to which they do not presently apply. What is generally required is the elimination of a pervasive attitude of mind that Indian communities fall outside the ambit of the normal operations of provincial departments because of an alleged special link with Ottawa which precludes provincial involvement. We suggest, therefore, the treatment of Indian communities and their local government councils as if they derived their local government powers and structures from the province rather than from the federal government.

While the implementation of this policy on an extensive basis may encounter difficulties in particular cases it is likely that significant changes in the relationships of Indian communities to provincial governments will develop from the large area where we feel success will be possible. Such a development would be an important indication of provincial good will, as well as diversifying the contacts of Indian communities with governmental agencies independent of the Indian Affairs Branch, and would help create and express a developing involvement of Indians in the provincial community.

In a small number of cases Indian communities and their councils are already treated as if they were municipalities for the purpose of receiving specific provincial grants.

1. In 1957 Manitoba authorized the payment of unconditional per capita grants to Indian bands. Initially the money was handed over to Branch officials who took the initiative in spending decisions. In 1962, following the complaints of some chiefs, the province decided to pay the amount directly to Indian bands. The grants must be applied for, and the application must explain the objects of the grant to the satisfaction of provincial officials. The grants may be used to finance community improvements such as the building and maintenance of roads, bridges, drainage ditches, community halls or buildings, farm machinery and other equipment, lights and hydro extensions, winter works projects, economic development, and other items of a like nature. Grant money may not be distributed to each member of the band, nor may it be used to give welfare assistance such as food, clothing, fuel and minor house repairs, to the poor and the needy. The approval of the band application is based to some extent on the past performance of the band. In 1963-64 grants were paid in the amount of $47,382.00. At present the grant is paid on the basis of $3.00 per capita based on population figures in the 1961 census.

2. The most striking application of this practice of treating Indian reserve communities as municipalities has occurred in Ontario. The most important act here is the Ontario General Welfare Relief Assistance Act, to be discussed below, under which the Ontario government treats reserves as municipalities for the purpose of social assistance. Under this arrangement Indian bands, like non-Indian municipalities, are responsible for 20% of their social assistance costs with the province paying 30% and the remaining 50% coming from federal funds under the Unemployment Assistance Act. Other Acts of lesser financial significance, but of symbolic importance, include:

   (a) The Community Centers Act administered by the Extension Branch of the Provincial Department of Agriculture which makes available 25% of the cost of building community centers, with a maximum of $5,000. One band, Gull Bay, has taken advantage of this Act.

   (b) The Tourist Development Branch of the Department of Travel and Publicity has amended its legislation covering grants to municipal museums so that Indian bands are now eligible.

   (c) The Parks Assistance Act, under the Department of Lands and Forests, provides that a municipality may obtain a provincial grant for park development of up to 50% of the total cost, or to a maximum amount of $50,000, in respect of any one park. This Act was amended in 1963 to include Indian reserves. At least two developments, Cape Croker and Kettle Point have been undertaken.

   (d) The Conservation Authorities Act provides for the development of conservation programs on a watershed basis with funds levied from member municipalities, and with grants available from the provincial government for nearly every type of work up to 50% of the cost. If reserves could contribute in the same way as a municipality, they could get the same benefits as a municipality.

   (e) The Department of Highways in Ontario has been treating reserves in the same manner as townships, as far as subsidies on bridges and roads are concerned, since 1925 in some cases. Under the Highway Improvement Act an Indian reserve is treated on the basis of an incorporated township with the Indian superintendent acting in the capacity of township road superintendent. The work of maintaining and building roads on reserves is subsidized generally on the basis of 50%. In the fiscal year 1965-66 Ontario contributed just under two hundred thousand dollars on behalf of road work on Indian reserves.

(f) The Ontario Department of Economics and Development has established nine regional development associations which are given provincial financial support. The associations have been encouraged to include Indian bands. By March 1965 two bands had joined, and encouragement had been given to others.

3. Some assistance towards the construction of reserve roads is given in British Columbia, Saskatchewan, and Manitoba.

The above description of existing developments indicates the tremendous scope available in this area for rendering more normal the relationship between Indian communities and provincial governments. What is required is the acceptance of a principle and then the development of the procedures required for its attainment. The principle is that Indian bands are to be treated as municipalities for the purposes of all provincial and federal acts which provide grants, conditional and unconditional, to non-Indian municipalities, except where the application of a specific act conflicts with the provisions of S. 87 of the Indian Act or is unacceptable to the band concerned.

This would be a reversal of the present discriminatory situation in which Indian bands are generally excluded except where special provision has been made for their inclusion. The present situation is completely unsatisfactory for it rests on the unacceptable proposition that the possession of the special community status implied in the reserve system justifies exclusion of Indian communities from access to services and benefits routinely provided to non-Indian communities.

A corollary of the preceding recommendation is that Indian representation should be aggressively pursued for various boards, commissions, and inter-municipal bodies which deal with matters on an area basis and often encompass several general purpose local governments within their jurisdiction. Examples include education, planning, arterial highways, drainage, police protection and health. These activities do not respect local government boundaries and as a consequence there has been an increasing resort to a regional approach. Since Indians are within the regions and share the same problems it is illogical that they should be excluded from participation.

The logic of this integration of Indian reserve communities into provincial service frameworks is that Indian local government will differ from that of their White neighbours. This is a perfectly acceptable position. The reserve system is undoubtedly possessed of deficiencies, but it is not the responsibility of non-Indians to attach penalties to it. It is not incumbent on Indians to give up their special community status for the sake of equal treatment in areas in which that status is irrelevant. On the contrary, it is the responsibility of Whites, acting through their governments, to see that the special position in which Indian communities find themselves as a result of history is made compatible with as much as possible of the provincially provided services and supports available to White communities. This point, while elementary, requires strong emphasis for it has been a too frequent belief that particular aspects of Indian status constitute justification from excluding Indians from numerous government programs and services.

If Indian reserves are to be brought within the provincial framework of grants and services as we suggest, it seems to us to be essential for Indians to increase their understandings of the local government procedures of their White neighbours and the network of relationships which those communities have with a variety of provincial government departments. To this end we suggest that the provincial governments be approached to sponsor and encourage programs to increase Indian familiarity with the practices of White local governments and the relations they have with the provincial government. There are many methods by which this goal could be pursued. Where a province provides or supports a training or refresher course for local government officials, Indian participation should be sought and welcomed. We suggest further that the provinces actively support a program for the placement of Indian trainees in non-Indian local governments for varying periods of time. This training program might usefully include a short period of work and observation in the provincial Department of Municipal Affairs. More generally we feel that White municipalities contiguous to reserves should be actively encouraged to display an interest in the common and special needs of their Indian neighbours. Wherever possible Indian reserve leaders at the political and civil service level should develop contacts with and obtain advice from the expertise at the disposal of such governments. It does not seem necessary at this stage to go further in the detailing of the mechanisms of making Indians more aware of the local government processes which prevail within the province, and into which they should move at least partway. It is, however, necessary to point out that specific Branch personnel will have to apply themselves to the task of involving the province suggested above. We suggest therefore that this function be undertaken by the Local Government Bureau.

It should be noted that a number of the preceding suggestions advocating the development of links and contacts with non-Indian local governments, local government associations, various professional groups of local government officials, and provincial government departments cannot be precise in the prediction of consequences. In many cases the advocate of social change is reduced to fostering the contexts in which, on balance, there is a high probability of favourable developments being precipitated. We assume that the intermingling of Indians and Whites in the above contexts will have beneficial effects. Hopefully, it will make Indians and Whites more aware of the similarities and differences which exist between the local government structures they respectively employ. It will make Indians more aware of the ethos and values of their White counterparts and of the varieties of relationships which prevail between provincial and local governments. It will diversify the sources of information available to Indian leaders and thus minimize their present heavy dependence on Branch officials at the local level. It will have the further effect of decisively increasing the tempo of provincial involvement with Indian communities. The general consequence of the preceding is that the individuals who will be ultimately involved in determining the next step in the development of Indian local government will not be, as they now are, very poorly informed on the factors which are relevant to making wise decisions.

As noted earlier it seems to us to be premature to attempt to decide on the ultimate locus of Indian local government--whether within the Indian Act or within the municipal structures established by the provinces. The advantages of bringing Indian communities under the control of provincial Departments of Municipal Affairs do not seem to us to be very pronounced. Further, we feel that many of the advantages of municipal status can be attained without the formal possession of municipal status, and it is on this basis that we have recommended that wherever possible Indian communities be provided with the same grants and advisory and counselling services by provincial departments as are their White neighbours.

It is possible that a small number of Indian communities will prefer to completely sever their links with the Indian Affairs Branch and incorporate themselves under the relevant local government act of the province. This can be accomplished by the band enfranchisement provisions of Section 111 of the Indian Act. This requires that a band as a whole become enfranchised and give up its Indian status. Such a step requires the approval of more than fifty per cent of the electors of the band, the preparation by the band of a plan of disposal of band funds and lands which then requires the approval of the Governor-in-Council and the recommendation of the Minister that "in his opinion the band is capable of managing its own affairs as a municipality or part of a municipality." The limited use of this section implies that Indians see little benefit in it. Nevertheless the section should be retained in the Indian Act, and additional methods investigated such as the band members incorporating themselves as a company in order to gain collective control of their assets of lands and funds and then seeking local government incorporation.

The Special Joint Committee of the Senate and the House of Commons, 1946-48, recommended: 'That such reserves as become sufficiently advanced be then recommended for incorporation within the terms of the Municipal Acts of the provinces in which they are situate." The federal government of that time felt that such a matter was not appropriate for federal legislation "in that being a municipal matter it would be between the band and the provincial government. The Parliament of Canada cannot legislate upon it because it would thereby invade the provincial field."[1] In general this approach seems to us to lack urgency. We possess almost no knowledge of the difficulties which would attend the endowing of Indian bands with complete municipal status within provincial frameworks of local government. A small band in Alberta, the Michel Band, was enfranchised in the late fifties. In two other cases, Cape Mudge in British Columbia, and Kettle Point in Ontario, discussions have been undertaken with provincial officials, but at the time of writing the discussions seem to have broken down.[2] As there seem to be few advantages which would flow from complete incorporation that could not be gained by the tactics described earlier in this section, and since the complications and disadvantages might be marked, we are hesitant to advocate the taking of this step without detailed research in each individual case.

We have already noted the complications caused by the double orientation of band councils which simultaneously possess local government functions and corporation management functions with respect to band assets in land and trust moneys. It was suggested that the tensions created by having this duality of function handled by one council would likely increase in the future as the numerical gap between residents and non-residents increases and as the council gains autonomy from Branch controls. Tension will be further increased where, as seems likely for a number of bands in the near future, the dollar value of band funds increases dramatically under the impact of profitable leasing or sales of land.

The overcoming of this problem constitutes perhaps the most difficult area in the development of Indian local government. The importance of the problem will be enhanced should bands seek incorporation under the Municipal Acts of the provinces. It is unlikely that provincial governments would be prepared to modify their legal framework for local government organization and function so as to accommodate this special aspect of Indian community existence. For this reason the existing provisions of the Indian Act presuppose that a band wishing incorporation in the provincial framework of municipal government will have to be enfranchised with a consequent loss of Indian status and the elimination of the special status of reserve lands.

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[1] Special Committee Appointed to Consider Bill No.79 An Act Respecting Indians, 1951, p.15.

[2] Unfortunately the examples of band enfranchisement are too few to allow of any conclusions being drawn as to the utility of this process. An early case of band enfranchisement was that of the Wyandot Indians, a small band who lived on the Detroit River near Sandwich, Ontario. In the year 1876 application was made by the Band to be enfranchised under the terms of the Indian Act. Preliminary enquiries were instituted in respect to each individual applicant for enfranchisement and the circumstances in respect to each were found to be such as to justify the issue of a probationary ticket in accordance with the provisions of the Act.

At the expiration, in November 1880 of the term of three years for which the probationary tickets were desired, the Indians holding them applied for and received Letters Patent for the land in accordance with the provisions of the Act. In November 1892, a surrender was made by the Wyandots of the balance of the land left over after allotments had been made to all the enfranchised Indians. Distribution of the moneys received for the sale of these lands, as well as the land previously surrendered and sold was made each year up to 1914 when the final payment was made.

The officer who conducted the final distributions in 1914 reported on the circumstances of each individual. After more than 30 years of enfranchisement, there were great differences in the social condition of the families, but there was no individual who was destitute or who had become a charge on any municipality. The most successful had, by energy and natural ability, gained positions of responsibility. Many women had married prosperous White men, and the men held positions which included a department store manager, lawyer, contractor, engineer, farmer, professional football player, business man and painter.

The major attempt to disentangle this duality of function is found in the report of the previous research project, The Indians of British Columbia. It was suggested in that report that the local authority functions of the band be handled by one body, and the management aspects pertaining to band assets be handled by another body to be called the band corporation. The advantages of such a scheme are many.

The linking of residence, property interests, and band membership under the present system greatly discourages Indian mobility between reserves. To give the Indian one status as a citizen of a local community and a separate status as a shareholder in the corporate assets of the band would allow an Indian to change his community of residence without affecting his position as a shareholder. To separate these sectors of life clearly increases the freedom of individual Indians as their occupational mobility between reserves would not be affected by considerations of band funds and band membership. As a corollary admission to membership of the community governed by the local authority could become simply a function of residence. A consequence would be the breaking down of the parochial identifications encouraged by the present situation and the emergence of a more broadly based Indian identity. Further, such a change would facilitate interaction between Indians and Whites by allowing Whites to live on reserves and acquire political rights.

No only would the local community be advantaged by being thrown open to the beneficial influences of a more diversified citizenry, and individual Indians be benefitted by the greater mobility they would possess, but the management of band assets would be put on a proper commercial basis and not be confused by the political considerations which are inevitable as long as it is inextricably intermingled with the government of the local community. The funds would then be sed, "as we believe they were originally intended to be used, for the improvement of the wealth of the shareholders, and they would not normally be used for the wide range of miscellaneous governmental and welfare services that now confuse the issue."[1]

The separation of local authority functions and band corporation functions would also clarify the difficult problem of voting rights which exists under the present system. Voters for local government would be residents or property holders on the reserve, while the shareholders in the band corporation would constitute the "electorate" for the Board of Trustees which would manage its affairs.

Once the local government functions were separated from the band management functions the major difference between Indian and non-Indian local governments in terms of function would be eliminated. This would facilitate the incorporation of the new community into the provincial framework should such be desired. It would facilitate the merger of reserve communities as separate management structures for the corporate assets of the members would avoid the complications which now exist when the per capita assets of bands differ significantly. Implementation of the proposals would also allow the development of separate local governments for fragments of a band who live in different reserves but share common ownership interests. It would also allow the inclusion of non-Indian lands within the local government limits of the council even if such land did not have reserve status, and would facilitate the functional cooperation of contiguous Indian and non-Indian communities, even to the point of merger.

Finally, the development of the band corporation separate from the local authority would provide the council with a source of revenue funds as such a corporation could obviously be taxed by the council. This would preserve the individual's freedom from taxation which is so highly valued and guarded so jealously, while still providing a taxation base for the local authority which would enable it to raise at least a percentage of its necessary revenues from local sources.

The advantages of this change seem to be overwhelming, and it is somewhat surprising that although the recommendations were initially made nearly a decade ago no action has been forthcoming to implement them. On the whole we feel that these recommendations and the reasons remain highly persuasive, and we recommend that pilot projects be instituted to test their suitability.

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[1] Hawthorn et al, The Indians of British Columbia, p. 444.

We suggest an experimental approach largely because, on reflection, we feel that there may be certain disadvantages which have been inadequately canvassed, and which can only be assessed in actual practice.

The separation of local authority functions from band management functions is complicated by the fact that not all reserve land is held in common. The existing rights of Indians to the use and possession of property, therefore, would have to be worked out in such a way that the rights of individuals and the rights of band members would be given appropriate recognition in the form, presumably, of contractual arrangements between individuals and the suggested band management Board of Trustees. Analytically this problem does not appear insuperable, although it is recognized that its implementation will be time consuming and complex.

An obvious point which is easily overlooked is that on the typical reserve as presently constituted there is not really a great deal of scope for the exercise of economic and political leadership. As a result, the attractiveness of public office is presumably diminished by the minimal scope it offers to those possessed of council positions. From this perspective, a beneficial by-product of the present blending of local authority and band management functions is that it focuses the limited amount of reserve public activity on one small group of persons. This presumably enhances the status of council and provides it with more authority than would be the case if its present functions were split up.

If the present functions of council were split between two separate authorities it is readily apparent that the relative status of council and corporation would be much affected by the size of the assets controlled by the corporation. Where there are no, or only small, band funds and land is not an important asset commercially the corporation will be virtually dormant. On the other hand, where there are significant band funds entrusted to the corporation and where land management functions are important due to such factors as leasing or mineral rights, it is likely that the functions of the corporation will far outweigh in significance the functions of the council. In such a case there will exist a special version of a company town with one single entity controlling or at least influencing the major economic activities of the community, and with its decisions being more important than those of council itself.

In a number of the situations which can be visualized there is an obvious likelihood of a clash between council and corporation since both will be competing for the use of the same funds, and since both will be manipulating the physical basis of the community by their actions. The band corporation would control most of the financial operations of the reserve such as leasing of land, leasing of oil and crop rights, management of enterprises and reserve land and control over band funds. The band council would require revenue from these operations to finance its local government activities of public works, sanitation, health, welfare, fire and police protection, etc. Since both band council and corporation will be elected, there is potential conflict with one body claiming a mandate to give priority to maximizing the return from band assets, and the other insisting that, through taxation, the return from these assets be used for the priorities of local government.

The significance of these possible disadvantages can best be assessed by an experimental approach.

The development of local government for Indian communities has been impeded by the absence of competent band civil servants and in many cases the absence of local revenue sources. The two deficiencies are, of course, related. It is in part the absence of funds which accounts for the absence of band civil servants. Programs to alleviate these problems have been recently instituted.

A band which is spending its own funds on road development and maintenance can qualify for a Branch contribution of 50% of the net costs. General purpose non-repayable grants are also available. They are regarded by the Branch as "incentives to bands to take another step along the road to self-government and self-support." Grants to band councils are contemplated for the fiscal year 1965-66 for the purpose of acquiring staff to carry out functions associated with the average municipality. Grants up to $5,000--requests above this must be approved on an individual basis by Treasury Board--are available for the hiring of such staff as band managers, special constables, health administrators and water and sewage crews. These allotments are also available for physical projects in the community, for cooperative enterprises to be run by the band and for cultural and recreational programs. The grants can also be used to cover the municipal share of shared cost programs in which the band may participate with a province. The underlying principle of allocation seems to be that although all bands are eligible for the grants, wealthy bands will be expected to contribute a proportionately greater share in each instance than will poorer bands. The grants are conceived of as part of the new community development program of the Branch, and it is expected that they will aid the community development officer "to energize individuals within a community to work together to solve problems of common concern."

The creation of a local civil service under council control constitutes an essential prerequisite for the move to more autonomy at the local level. The addition of one or more civil servants should have the consequence of rendering policies more stable and less subject to change as a result of election results; it should increase the amount of knowledge available for effective policy-making, and by thus increasing the executive capacity of Council it will enlarge the range of issues over which it can effectively make policies. An incidental but valuable by-product of the creation of a civil service is that it will enhance the accountability of Council to the electorate by reducing Council's capacity to deflect blame for its performance onto the local Indian Affairs Branch administration.[1] Of special importance is the probability that ultimately the development of a local "bureaucracy" will give the Indian community some countervailing power vis a vis the Indian Affairs Branch. Finally, the development of local autonomy varies directly with the capacity of local units to provide services at levels acceptable to the larger society. It is thus assumed that senior governments have a proper concern with the quality and effectiveness of local services. The obvious corollary is that all measures which can improve local competence are in effect measures to increase local autonomy.

The development of a small local civil service is also necessary if bands are to develop the kinds of unofficial and official relationships with provincial governments and neighbouring White local governments which we strongly recommend. The capacity of a band to take advantage of provincial services and undertake the administrative responsibilities usually attendant on provincial grants will be harmfully affected if such tasks are left to part-time elected officials. It may well be that a chief task of band civil servants will be the fostering, cultivation, and development of relationships with the external world of officials and political leaders who possess services and expertise which Indian communities can tap.

A natural and important function of the Local Government Bureau whose establishment we have recommended will be to aid bands by providing them with information on the various grants, programs, advisory services, training conferences, etc. for which they will be eligible if provincial governments prove responsive to the need for extending their services and programs to Indian communities. Officials of the Local Government Bureau will generally be expected to master the relevant provincial legislation which can be operated through reserve institutions, and to act in a middleman capacity between Indian communities and provincial officials until sufficient mutual involvement has occurred to put the contact on a relatively self-sustaining basis.

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[1] One of our field workers commented that the superintendent "finds that where issues are referred to him, it is either by a client who has been turned down in an application to the Council, or it is when the Council, being an elected body, seeks to escape responsibility for an unpopular decision it is reluctant to make. They like to pass awkward situations on to a public servant whose refusal will be easier to accept, or at least, will have no unpleasant repercussions for the Council. Hence, it does not appear that true autonomy will be attained until the plan of establishing a band civil service is realized. This plan is at present being prepared by the Indian Affairs Branch; its effect would be to have a non-elective body which could be used as a buffer between people and Council. It is only then that dependence on the agency superintendent would become structurally unnecessary. At that stage the Council would grow in standing, as its decisions would be perceived as final. Even now, due to the superintendent's policy of not altering Council rulings, this standing is much greater than in the past."

As administrative competence improves at the reserve level it is essential that the role of the superintendent alter accordingly. Wherever possible Council meetings, the recording of Council minutes, the drawing up of bylaws and the keeping of accounts should be carried out by the Council with the superintendent acting in an advisory capacity when requested to do so. Where the Council asks for advice or approval of intended courses of action, this should be given top priority by Branch officials. Delays caused by the complexity of the administrative machinery through which Council are channelled should be eliminated wherever possible. Delays may stifle local initiative when local government is in the formative stage.

There are, of course, obvious limits to the quality and quantity of services that can be provided at the local level. Outside financial assistance can only help to make it possible for a small community to do those things which are within the capacity of small communities to provide. If left to their own financial resources most Indian communities would be unable to provide more than a small portion of the services they imperatively need. The problem of blending outside financial support with local initiative and local autonomy is a difficult problem which we direct to the Local Government Bureau.

Decisions as to the direction which the development of Indian local government should take must take into consideration that the goal is many faceted. It includes giving Indians the capacity to make meaningful and authoritative decisions pertaining to their own local affairs, making available to Indians the grants and services that are available to non-Indian communities, and increasing Indian knowledge, understanding and ability to grapple with the larger society with which their affairs are intertwined. It is also necessary to consider other objectives which policy-makers cannot ignore. Pursuit of the goal of rising standards of living and the improvement of the educational standards of Indians must be accorded high priority. In some cases the development of local government may clash with these other objectives. Economic considerations may necessitate off-reserve migration which further reduces the viability of small reserves. Educational considerations in many cases will compel resort to educational facilities beyond the capacity of the typical reserve to support, and thus reduce the role which Council or a reserve school board could play in educational matters.

Enhancing the authority of Council should be regarded as only one method by which the general objective of giving Indians a greater say in the policy decisions which bear upon them can be pursued. From this perspective the extension of the franchise has the same goal as local government. It is also possible to consider other institutional arrangements such as the regional and national advisory councils recently instituted by the Indian Affairs Branch. On a smaller scale, the British Columbia experiment of forming District Councils, organized on an agency basis, to which Indian bands may choose to send delegates to discuss matters of common concern is worthy of consideration. Unlike band councils, district councils are not intended to be authoritative bodies, although member bands may agree to give district councils jurisdiction in a limited area. The councils also constitute a focal point of contact with the Branch and for others wishing to communicate with representatives of various bands.

The recency of this experiment, and the fact that at present it receives strong Branch encouragement makes it difficult to tell whether the innovation will prove durable and valuable. It would seem to constitute a convenient focus for the transmission of information between the Branch and the Indians in both directions, and for providing Indians with a wider horizon consequent on the exchanges of ideas which may be expected to occur at such meetings. Already common problems have been discussed, resolutions passed, and requests forwarded to provincial and federal authorities.

## CHAPTER XV

## INDIANS AND WELFARE SERVICES

The last three decades have witnessed revolutionary changes in public attitudes to the role of the state in Canada. These changes, like their counterparts elsewhere in the western world, have signalled the end of the laissez-faire maxim that he governs best who governs least. Since World War II the federal government has accepted general responsibility for seeing that the performance of the economy satisfies demands for high levels of employment, adequate growth rates, and a tolerable division of the Gross National Product among competing interests and groups. Superimposed on this role there has been an expanded concern for public welfare displayed by both federal and provincial governments. This concern manifests itself in the provision of a network of security which protects the individual when his own capacities are inadequate to provide minimum standards of living or to finance costly services in times of need.

Although Canadians have undergone no explicit ideological break with the past, the cumulative effect of a series of piecemeal changes has resulted in a welfare state. In area after area the market has been replaced or supplemented as the determinant of income, and as the provider of services based on the ability to pay. Individual, family and local responsibility for looking after the needs of near relatives and immediate neighbours plays a declining role in the alleviation of distress. Family allowances, universal old age pensions, hospital insurance, the rationalization of social assistance, the Canada Pension Plan, and emerging public provision for medical care exemplify the magnitude of the post-war changes.

The piecemeal creation of the Canadian welfare state was a response to the widespread malfunctioning of the economic system in the depression of the thirties. Its expansion has been supported by the dramatic improvements in administrative competence strikingly manifest in the performance of the federal government in World War II and increasingly apparent in provincial administration. The welfare state reflects and is sustained by a growing affluence which diminishes resistance to public spending and governmental redistribution of income. In terms of attitudes the welfare state reflects the extension of democratic and egalitarian principles from the political to the social sphere of existence. In terms of need this growing role for the state is a response to the uncertainties and insecurities inherent in the interdependence of modern economic systems which have invalidated individualism as a tenable theory for the complete explanation of personal success and failure.

A comprehensive definition of welfare would include much of the domestic activity of modern government. For our purposes welfare will be considered to imply only what are commonly known as the social services -- generally those activities of government or private groups which supplant the normal institutional patterns or function when normal institutions such as the family or labour market prove to be no longer capable of meeting important individual needs.

In the Canadian federal system the welfare functions of government are divided between the central, provincial, and local governments. There is an increasing tendency for intergovernmental collaboration in the financing and administering of welfare.

Programs completely under federal control include unemployment insurance, family and youth allowances[1], Old Age Security, the Canada Pension Plan[2] and War Veterans' Allowances and pensions. Basic provincial programs include Workmen's Compensation, Mothers' Allowances, and Child Welfare. The most important joint programs administered by the provinces but receiving federal financial support are Old Age Assistance, Blind Persons' Allowances, Disabled Persons' Allowances, Supplementary Allowances, Public Assistance, and Rehabilitation programs. In addition, a number of services are still provided by municipalities and by religious and other private organizations. These frequently include residential homes for elderly persons, family services such as casework, day care and homemaking, and social adjustment services such as neighbourhood houses, alcoholic treatment centres, and youth focused agencies.[3]

While it is not our purpose to provide a detailed description of the welfare services available to all Canadians, it will provide a helpful context for our discussion of Indian welfare to indicate some of the basic features in the development of Canadian welfare programs.

1. There has been continual expansion of the role of government in welfare since World War II.[4] For example, income security payments as a percentage of personal income have risen from 6 per cent in 1948 to 8.9 per cent in 1963.[5]
2. There has been a noticeable trend to transfer the financing of welfare services from lower to higher levels of government.[6]
3. The financial role of the municipalities in welfare programs has declined relative to other governments.
4. The financial involvement of the federal government is much greater than its direct administrative involvement. The converse is true of the provinces. This is a consequence of shared cost programs.
5. As a result of the preceding there is a marked degree of federal provincial interaction in programs under provincial jurisdiction.

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[1] With the exception of Quebec which operates its own youth allowances, for which Indians are eligible.

[2] Quebec will operate its own plan with similar rates of contributions and benefits.

At the time of writing Indians whose income is earned on a reserve are precluded from participation in the Canada Pension Plan. The problem arises from the fact that such income, as a result of Section 86 of the Indian Act, is not considered income for income tax purposes, while 'income' under the Canada Pension Plan is based upon income as determined by the Income Tax Act. Attempts are being made by the Indian Affairs Branch to work out a solution to allow Indian participation.

[3] Public health, hospital and medical services, rehabilitation services, corrections services and housing have been excluded from our discussion in this chapter.

[4] See I. J. Goffman, Some Fiscal Aspects of Public Welfare in Canada, Queen's University Papers in Taxation and Public Finance, No. 1, Sponsored by the Canadian Tax Foundation, (Toronto, 1965), pp.35-6.

[5] Ibid., p.57.

[6] Ibid., p.33.

6. The heavy financial involvement of the federal government in the programs it directly administers and in the provincial programs it supports has had a tendency to equalize welfare services from coast to coast.

7. Important differences in service standards continue to exist in those welfare areas still under direct provincial control such as child welfare services. Such differences are logical consequences of federalism with its plurality of independent centres of policy-making.

8. All three levels of government are involved in income maintenance and assistance expenditures, but most of the costs are borne by the federal government. The federal share has consistently been over 80 per cent in the post-war years.[1]

9. In general, federal programs are oriented to income maintenance for persons falling into clearly defined categories, while provincial programs have a much greater social work and personal adjustment orientation, and are likely to involve a greater degree of administrative discretion. On the whole, provincial programs are less impersonal and automatic than federal programs. The difference between the family allowance cheque delivered by the postman and the visit of a social worker to a multi-problem family is symptomatic of the different style of federal and provincial involvement in welfare.

10. The counterpart of increasing governmental involvement in welfare is the development of new citizen assumptions as to their welfare entitlement, assumptions which quickly acquire the characteristic of rights.

Until World War II welfare services for Indians developed independently of those provided other Canadians. Indians were excluded from normal federal and provincial welfare programs, and received in their stead rudimentary provision for their welfare needs from the Indian Affairs Branch. The initial impetus to change came from the hearings of the 1946-48 Senate and Commons Committee to examine the Indian Act. The committee heard scores of briefs from both Indian and White groups which criticized the Branch's welfare practices for many and varied reasons. A devastating but reasoned criticism of existing welfare facilities available to Indians was presented in a joint submission of the Canadian Welfare Council and the Canadian Association of Social Workers.

The brief dwelt on the consequences of the state of poverty and ignorance that it felt had been allowed to exist on Indian reserves, including a death rate from tuberculosis fourteen times as high among Indians as among other groups in Canada, an Indian infant mortality rate of 180 per 1,000 as opposed to 54 per 1,000 in Canada as a whole, serious problems of malnutrition, and dilapidated, unsanitary, and overcrowded housing. In addition, the brief noted the disruption of family units caused by the residential school system, the exclusion of aged Indians from old-age pensions, and the lack of adequate adoption, foster home, and juvenile delinquent treatment practices.

The Canadian Welfare Council and the Canadian Association of Social Workers recommended that the federal government move principally on two fronts toward the goal of "full assimilation of Indians into Canadian life, which involves not only their admission to full citizenship, but the right and opportunity for them to participate freely with other citizens in all community affairs." The brief first recommended the holding of consultations with the provinces so that arrangements might be concluded for provincial extension of education, health and welfare services. It was postulated that provincial participation in the planning and administration of services to Indians would relieve the federal government of the necessity to develop parallel services, and also contribute to a process of integration. If a general extension of services could not be arranged, the brief recommended that services be purchased where feasible from provincial departments or voluntary agencies. At the same time as attempts were being made to obtain provincial services, the associations recommended that the Branch hire a trained social worker for the staff of every Indian agency, and recruit a qualified staff of welfare specialists at headquarters for planning purposes.

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[1] Ibid., pp.51-2.

Since these criticisms were first made there have been recurrent attacks on the isolation of Indians from the welfare services received by other Canadians. As a consequence attempts have been made to eliminate discrepancies and differentiation in Indian and White welfare services. Some of the difficulties which have complicated the completion of this process are discussed later in this chapter. Initially, however, it will be helpful to establish the constitutional and statutory context within which Indian welfare programs have developed.

The British North America Act does not require the federal government to provide special welfare services for Indians; nor does it preclude the provinces from extending their normal welfare programs to reserve Indians. With the possible exception of Treaty No. 6, the treaties are of no relevance in determining which government in the federal system should provide welfare services to Indians. There is no federal legislation establishing a welfare program for Indians. The Indian Act mentions welfare only casually, almost in passing.

The following sections of the Indian Act are especially relevant to welfare. Section 64 authorizes the expenditures of capital moneys of a band with the consent of the council of a band; in particular, subsection (k) "for any other purpose that in the opinion of the Minister is for the benefit of the band." Section 66 (1) authorizes the expenditure of revenue moneys of a band, with band council consent, for any purpose that in the opinion of the Minister will promote the general progress and welfare of the band or any member of the band. Subsection (2) states "The Minister may make expenditures out of the revenue moneys of a band to assist sick, disabled, aged or destitute members of the band." Section 67, subsections (1), (2) and (3) provide for the maintenance of dependents inclusive of illegitimate children out of any annuity or interest money to which that Indian family or individual is entitled. Sections 80 to 85 inclusive outline the powers of band councils. Section 80, subsection (a) authorizes the council "to provide for the health of residents on the reserve and to prevent the spreading of contagious and infectious diseases."

On the whole, the existing welfare expenditures of the Indian Affairs Branch reflect neither constitutional, treaty, nor statutory responsibilities. They simply reflect historical decisions continuously sanctioned by parliamentary approval of the appropriations required for the Branch to play a minimal welfare role. The existing welfare activities of the Indian Affairs Branch are thus voluntarily assumed.

It is our position, therefore, that neither the British North America Act, the treaties, nor any federal legislation prevent the extension of provincial welfare services to Indians.[1] Nevertheless, the fact remains that Indians have consistently received different and in most cases inferior welfare services to those provided to non-Indians. While the reasons for this are not necessarily to be found in racial attitudes, this does not alter the nature of the widespread de facto discrimination which has existed.

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[1] The possible significance of Section 13 of the Terms of Union between British Columbia and the federal government in 1871 will have to be resolved either by the courts or by the process of federal provincial negotiation. The section has been used by the government of British Columbia as an argument that Indians on reserves are the responsibility of the federal government. The section reads: "The charge of the Indians and the trusteeship and management of the lands reserved for their use and benefit, shall be assumed by the Dominion government and a policy as liberal as that hitherto pursued by the British Columbia government shall be continued by the Dominion government after the Union."

The special status of Indians, and more importantly the policies and practices which have affixed themselves to that status, have had the effect of placing barriers between an underprivileged ethnic minority and welfare services which they need. The assumption that Indians were "wards" of the federal government, and that reserves were federal islands in the midst of provincial territory has had the unfortunate effect that basic provincial welfare activities have ignored and by-passed reserve Indians. Indians have also been excluded from a number of shared cost programs operated by the provinces which received federal financial support. In general, the major barrier has been the unwillingness of provincial and municipal governments to provide services or expend moneys on a minority group regarded as the exclusive responsibility of the federal government. In the absence of normal services Indians received inadequate and inferior services from the Indian Affairs Branch, which lacked both the expertise and inclination to compete in terms of quality with provincial welfare departments. In spite of an increasing extension of provincial welfare services to Indians, and the inclusion of Indians in federal categorical programs, the Indian Affairs Branch still undertakes a number of basic welfare duties, in particular the provision of social assistance to reserve Indians. At the present time it is federal policy to phase the Branch out of direct administrative responsibility for welfare which, it is argued, should be provided Indians from the same sources as apply to other citizens. Reduced to essentials the basic objective of present welfare policy is to eliminate disabilities in the area of welfare services which have been unfortunate and unnecessary by-products of Indian status.

In spite of the present objectives a brief analysis of the direct welfare role of the Branch is relevant to our purposes. Not only does it provide a revealing indication of the recent welfare treatment of Indians, but it also has a direct bearing on the present policy of vacating the welfare field, and on the difficulties in implementing that policy.

The most elementary and important point about the welfare policies of the Indian Affairs Branch is the consistently low status they have enjoyed. In the absence of alternative arrangements the Indian Affairs Branch has had to assume a welfare role which it little wanted, for which it was poorly suited, and which it handled poorly. Partly by necessity and partly by choice the Indian Affairs Branch has played a welfare role in the provision of direct relief assistance, and certain other areas that are normally the concern of provincial and municipal governments. Until recently the welfare aspects of Branch policy have not been characterized by organizational sophistication or well founded interpretations of the role of welfare in relation to other aspects of Branch policy or to the needs of Indian communities.

The generally low status of welfare is reflected in the organizational history of the Indian Affairs Branch. Until 1947 welfare activities were administered by the Training and Welfare Division which was largely oriented to education, the supervisor being a specialist in that field. A report in 1947 by a social worker was extremely critical of the Branch's attitude to welfare. He wrote, "rather than recognizing that welfare has a particular and important contribution to make in the adjustment of the Indian culture to our own, the government has relegated this specialist branch to a relatively minor role by 'tucking it away' into the Division of Welfare and Training" within which education received paramount consideration. In late 1947 the Training and Welfare Division was split up into the Welfare and Education Divisions. The responsibilities that came under the Welfare Division were still many and varied; but at least more concentrated effort now could be directed toward Indian social advancement. The basic objectives of the new Welfare Division were described as follows:

1. To improve social and economic standards in Indian communities by providing encouragement, assistance and guidance to individual Indians and to band councils;

2. To promote the extension and adaptation of the normal range of economic and social resources of non-Indian communities to the reserve community, with the long range objective of full economic and social intercourse between Indian and non-Indian communities;

3. To assist Indians who have the necessary training, ability and interest to find employment and acceptance in the non-Indian community;

4. To ensure that Indians who have established themselves in non-Indian communities have full access to the normal economic and social resources available to non-Indian citizens in the communities.[1]

The activities of the Welfare Division in the period 1947-1958 were mixed and encompassed both social and economic activities which included:

> responsibility for housing on Indian reserves and the issue of relief to needy Indians (except where band funds were available for these purposes), the administration of the Revolving Loan Fund, management of wild life and fisheries resources, economic development on reserves, rehabilitation and placement programs, child welfare matters, the administration of social legislation affecting Indians, the application of the Veterans' Land Act to Indian veterans, native handicrafts and the provision of agricultural assistance.[2]

In 1958 the trend of placing increasing importance on social services which had developed in the Branch during the preceding decade was accentuated with the administrative separation of the social service and economic development functions in the breakup of the Welfare Division into the Welfare and Economic Development Divisions. The 1959 annual report stated:

> the Welfare Division will be principally responsible for community development and organization programs, child welfare, Family Allowances and other categorical benefits, rehabilitation of the disabled, welfare assistance and the Indian housing program. With this organization, these programs can be improved. More time can be given to the negotiation of agreements with the provinces to extend normal provincial social welfare services to Indians on reserves.

The final important organizational change affecting welfare was recently instituted in 1964. As a reflection of the new emphasis on Community Development a new division, the Social Programs Division, has been formed as the organizational focus of social and cultural development. The new division contains three main functional areas: (1) a Community Services Section with a main emphasis on Community Development; (2) a Cultural Affairs Section to promote and facilitate the development of various forms of Indian cultural expression in the arts, etc., and (3) a Welfare Services Section to handle residual Branch welfare responsibilities and to undertake a stepped up program to negotiate the extension of provincial welfare services to Indians. The latter activity is described by the Branch as reflecting a new emphasis on federal provincial agreements intended to take the federal government out of the direct service field in welfare.

Concurrent with the development of explicit organizational recognition of welfare in the Branch there has been a gradual addition of trained social workers at headquarters and in the field. The total number of social workers however always remained small, six in 1950, ten in 1955, eight in 1960, and eleven in 1966.

The low priority attached to welfare in the early post-war years is apparent in Branch policies and public statements. At the end of the Second World War welfare was broadly interpreted as referring to all aspects of economic and social well being. However, when existing programs are analyzed welfare consisted mainly of relief of severe destitution. Until recently relief policy has been characterized by concern for the taxpayer and a fear that liberal relief payments would harm Indian character and work incentives.

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[1] A Review of Activities 1948-1958, (Indian Affairs Branch), p.12.

[2] Ibid., p.12.

The Head of the Welfare Section gave his policy to the 1947 Joint Committee as follows:

> The general policy of the division is to encourage and assist Indians to be self-supporting rather than to furnish them with direct relief . . . . Our main responsibility is the care of the aged and sick. Of course, the responsibility for the aged rests primarily on their children and the Branch insofar as is possible, sees that it is not shirked in any way . . . . It is the policy of the Branch to assist Indians to be self-supporting rather than issue direct relief. Because of this, the scale of relief supplied to able-bodied Indians must err on the parsimonious rather than on the generous side. Our instructions to agents state that relief is not the right of any Indian but is given at the pleasure of the Branch to prevent suffering. We also state that in no instance are the quantities of relief allowed to be sufficient to remove the incentive to obtain employment where and when available.[1]

In the early post-war years relief for employable Indians was apparently contingent upon performance of some service. A 1947 internal report on Branch welfare practices stated:

> It is not the policy of the Indian Agent to provide able-bodied Indians with relief. If relief is necessary for such individuals they are required to undertake certain tasks either on or off the reserve, such as cultivation of gardens, farm work, clearing land, road construction, draining projects, wood-cutting, or other tasks at the discretion of the Indian Agent.

During this period relief was granted by the Branch as a matter of grace as the Indian Act fixed no direct obligation on the government to provide social welfare benefits. The principle of local responsibility applied where possible, with the consequence that bands with trust funds were obliged to make payments out of these funds for relief purposes. Relief at this time was generally supplied in kind rather than in cash, and was deliberately kept low in order to ensure that a welfare payment would be of an amount below the earnings of the lowest paid wage-earner.

An analysis of Branch welfare policy in the immediate post-war years reveals comparisons with the Elizabethan Poor Laws. The insistence on kinship obligations, payment in kind, and service from the able-bodied reflected a continuing adherence to assumptions which, under the impact of pressures from the social work profession, were rapidly disappearing in the White community. The tradition of local responsibility for charity was adhered to by the requirement that bands allocate revenue from band funds for relief purposes. Further, the principle of less eligibility was operative -- the ensuring that welfare payments should be beneath the earnings of the lowest paid wage-earner. Finally, it is important to remark that the men on the spot -- the Agents and their assistants -- who operated this system had no professional background as welfare administrators and there were no significant checks on their performance. Indians lacked the vote and were expected to channel their grievances through the Agent, the very person against whom their complaints might well be directed.

There were three significant improvements in Branch social assistance policy between 1945 and 1965.

1. By 1956 the Branch decided that the time had come to work towards the elimination of the practice of providing relief recipients with a ration or grocery order and substituting cheque payment. The 1957 annual report stated:

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[1] Joint Committee, 1947, pp.367,369.

> This method is designed to bring procedures into line with general municipal and provincial practice, to remove stigma of relief from assistance given, and to enable the competent Indian housewife to purchase foods best suited to her requirements.

By February, 1961, 35 per cent of the Indian population received relief payments by cheque. This trend continued at a moderate pace and by February, 1965, the percentage of Indians receiving their relief payments in this manner had risen to 56.5.

The change to cheque payment has been slow for three reasons in the opinion of Branch officials. (1) In many northern areas cheque cashing facilities are limited or non-existent. (2) Among some officials there is a feeling that relief cheques will not, or may not, be used for the purpose intended, and that as a consequence cheque payment should be delayed until staff can undertake family counselling services. (3) In some provinces municipal relief is not given by cheque. As the Branch is now committed to a policy of following provincial rates and regulations there will be no increase in payments by cheque in those provinces until provincial regulations are amended.

2. In 1964 the Branch received authority from the Treasury Board to administer relief at provincial rates and in accordance with provincial eligibility regulations. The Branch had been under pressure for some time to equalize its payments with those of the provinces, but had hitherto resisted on the grounds that many Indians received free medical and hospital services, free education, and subsidized housing -- as well as not having to pay property taxes on reserves. The Branch also argued that its relief scales should be slightly below the national average, so that Indians who may ultimately receive provincial aid should step up rather than down in quantitative terms. The change in policy -- which was partly fostered by a 1963 survey of food costs which had revealed that "the Indian Affairs Branch scale of assistance is inadequate in over 150 Indian communities throughout Canada" -- was estimated to cost $4,700,000 per annum. Although many Indian superintendents were reported to be hostile to the increased rates, fearing that they would dampen Indian work incentives, implementation of the provincial scale was commenced on January 1, 1965, after provincial regulations had been adapted for use by the Branch and superintendents had familiarized themselves with the new procedures.

3. At the 1959-61 Joint Committee hearings on Indian Affairs there was considerable criticism of the use of band funds for relief purposes -- in some cases with no federal financial assistance given at all.[1] In response to these and other criticisms the Branch sought and received authority to ensure that the proportion of band funds used for relief payments would not exceed 50 per cent of the payments. This ended the anomalous situation in which those Indian Bands who paid from band funds the cost of welfare assistance constituted the only segment of the Canadian population for whom a share of the cost was not paid from federal funds under the terms of the Unemployment Assistance Act. Under the new arrangement bands are expected to use the public assistance standards and scales of assistance of the Branch.

The noteworthy aspect of all three of the preceding changes in welfare policy is that they reduced or eliminated important discrepancies between the welfare treatment accorded Indians and non-Indians. For a number of reasons to be noted below differential treatment by government of Indians and non-Indians is on the defensive. It is the underlying climate of public opinion to which governments are ultimately responsive which explains the widespread acceptance and inevitability of providing the same welfare services for Indians as are now received by non-Indians. Since welfare is constitutionally a provincial responsibility this necessitates the extension of normal provincial welfare services to Indians. The extent to which this has been achieved, and the difficulty of rapid and complete attainment of this objective are discussed below. Here we wish to conclude our commentary on the direct welfare role played by the Branch, particularly in the field of social assistance.

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[1] See Joint Committee, 1960, pp.148-49, 248-52, 452, 542-44, and 1040 for criticism by the Indian Association of Alberta, the Federation of Saskatchewan Indians, and the Government of Saskatchewan.

The most striking aspect of Branch relief administration throughout Canada is the striking variety it displays. The method of providing Indians with assistance varies not only from province to province, as was to be expected, but also from agency to agency due to the wide discretionary powers exercised by superintendents -- and in practice, by their assistants. This situation is of long standing. At the 1946-48 Joint Committee hearings a member of the Committee claimed to have uncovered instances of abuse in which Indians were not informed of their entitlement to relief or they were only given 25 per cent of the ration.[1] An internal investigation of relief granting practices in the Maritimes in 1958 revealed "that formulas for examining personal resources and assessing needs for relief as well as for establishing relief scales lend themselves to a variety of interpretations." An investigation of applications for welfare clothing in 1962 in a Prairie province revealed wide disparities in the practice of Branch officials. In some agency offices applications for welfare clothing "have been held for prolonged periods of time and Indians have not been advised of the disposition of their requests. This practice has given rise to negative feelings . . . . (On the other hand) in many instances Indian Agency staff have little knowledge of the circumstances of social assistance recipients but simply process requisitions for clothing as they are submitted." We were told that in one region needy Indians often receive less than the maximum allowable allowances. They are simply asked "how much do you need?" The Indian, not being aware of his maximum entitlement is frequently obliged to be contented with a lower sum.

Although in some cases regional headquarters has attempted to encourage agency staff to administer relief as closely as possible in accordance with the relevant regulations, few controls are actually exercised. Saskatchewan had adopted a form of appeal procedure but little provision for appeal of administrative decisions is made in other regions. In the words of one Regional Supervisor: "I investigate relief complaints but I couldn't overrule a superintendent as he is the final issuing authority." Too often superintendents are simply left to devise their own criteria for administration of assistance.

A number of practices which were pointed out to us require careful scrutiny and redress. Apparently work for relief is still demanded in some agencies, including those where relief is under band council administration. It seems to us that the general separation of relief payments and public works projects which is mandatory under the Unemployment Assistance Act, and which reflects the virtually unanimous opinion of social workers, should be as applicable on Indian reserves as in the remainder of Canada.

The typical Branch relief philosophy in the field, as distinct from the opinions of Ottawa headquarters officials, appears to be that Indians should be granted minimum financial assistance under the tightest administration possible in order to discourage Indian dependency on government subsidies. Again and again we were told that most Indians were chronically dependent on relief for their livelihood and that higher rates and more lenient administration would only aggravate this dependency. "The welfare state", it was claimed, "has ruined the Indians." In another province we were told that band council administration of relief had worked out well as "their welfare administrators are more niggardly than the superintendents." The main fear is that Indians will become so adjusted to the life of welfare recipients that they will refuse to take advantage of employment opportunities when they arise. While this opinion is not unanimous -- one Placement Officer stated that he knew of "no group of Indians who have refused to get off welfare when work is available" -- it is the predominant opinion.

The general antipathy to relief among field officials is probably reinforced by the definition of Indians as constituting a high-cost and multi-

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[1] Joint Committee, 1947, p.35.

problem segment of the population. It is questionable whether in terms of total government expenditures Indians can be described as high cost. On the contrary, it is likely, particularly in the past, that Indians have been a relatively low-cost segment of the population. In terms of direct welfare payments, Indians for many years did not receive either the old-age security pensions or social assistance benefits enjoyed by non-Indians. Today, Indians in some provinces are excluded from programs such as supplementary allowances. Further, any analysis of government benefits received by Indian and Whites would probably indicate that Indians have been relatively unable to take advantage of such benefits as free secondary school and subsidized university and technical education, and municipal services such as playgrounds, community centres and libraries. At the same time, Indians have been required to pay all taxes except on reserve earnings. The dependence on relief is high, although probably not greatly higher than among non-Indians with a similar education; however, the Indian per capita claim on total government expenditures has been low. On balance, it is highly likely that the according of Indian status to one or two hundred thousand Canadians for nearly a century has saved the Canadian taxpayer large sums of money at the expense of a chronically underprivileged group. The savings, of which welfare constitutes only one example, have undoubtedly been a false economy, for they have contributed to a situation which now requires heavier outlays of public funds than would have been necessary had wise government action been commenced earlier. The only real choice which governments have ever had has been whether to act or to postpone action till later. Postponements have simply extended into the future the time when Indians will be productive citizens.

Improvements in the welfare benefits and services available to Indians have occurred in three main areas: (1) the provision of more adequate services by the Indian Affairs Branch; (2) the inclusion of Indians within the categorical federal and federal-provincial programs; (3) the extension of normal provincial welfare services to Indians.*

The welfare area in which most progress has been made in extending to Indians the same benefits as are available to non-Indians is that of categorical payments and federally supported income maintenance programs -- Family Allowances, Old Age Security, Old Age Assistance, Blind Persons' Allowances, and Disabled Persons' Allowance.

Indians have been eligible for Family Allowances in the same manner as other Canadians from the inception of the programs in 1944. At this time Family Allowances were the only statutory form of income maintenance received by both Indians and non-Indians alike, except for the participation of regularly employed Indians in Workmen's Compensation and Unemployment Insurance.

From 1927 to 1951 federal-provincial old-age and blind pension benefits were not available to Indians. In the absence of coverage of aged Indians under normal programs the Indian Affairs Branch administered its own program of assistance. Prior to 1948 this was simply part of the general relief program of the Branch. In 1948 the Branch instituted a special allowance of $8 a month, subject to a means test. In 1950 the allowance was increased to $25 a month, also subject to a means test, and payable to Indians seventy years of age and over. The exclusion of Indians from Old-Age Pensions was the source of widespread criticism, and figured prominently in the various briefs presented to the Joint Committee of the Senate and House of Commons, 1946-1948. The Joint Committee unanimously recommended that the government give consideration to including Indians in the benefits of the program.

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* Note: Since this chapter was written a welfare agreement has been signed between the federal government and the government of Ontario "to make available to the Indians in the province the full range of provincial welfare programs", on a staged basis, and subject to the concurrence of each Indian Band to which it is proposed to extend a particular provincial welfare program. The agreement was signed by Ontario on January 10, 1966, and by the federal government on May 19, 1966. This is a major step forward in eliminating discrepancies in the welfare services available to Indians. The discussion in the remainder of this chapter therefore is not completely accurate with respect to the situation in that province, although attempts have been made where possible to insert qualifying phrases or sentences to indicate the existence of this recently signed welfare agreement.

The year 1951 proved to be of cardinal importance in the development of welfare services for Indians. At the Federal-Provincial Conference on Social Security the provinces agreed to include Indians in provincially administered programs of old-age assistance and blind persons' allowances in return for 50 per cent federal sharing in payments made under the legislation. This was the first major assumption of some financial responsibility by the provinces towards assisting their Indian citizens. At the same time the federal government promised that Indians would not be excluded from its proposed old-age security scheme of $40 a month universal payments to persons aged seventy or over. Following the pensions amendment to the British North America Act in 1951 the Old Age Security Act was instituted. On January 1, 1952, 4,319 Indians became eligible for benefits under the Act. At the same time, the Branch commenced to help the provinces register needy Indians aged 65-69 for provincially administered benefits under the Old Age Assistance Act, and blind Indians for benefits under the Blind Persons' Act.

The third federal-provincial income maintenance program in which Indians are included is the Disabled Persons' Act which came into effect in 1955 and which provides allowances to disabled persons aged eighteen years and over.

Recognition of Indian eligibility in the above programs has been correctly described as "an important milestone in Indian welfare."[1] The fact that most progress has been made with these income maintenance programs is not fortuitous. Once eligibility has been established these programs all operate automatically. As a result they do not raise the staffing problems which are important in child welfare and social assistance. In addition, they are either exclusively federal as in the case of Family Allowances and Old Age Security, or, as with the remainder, they are heavily supported by the federal government. Thus, the relative ease with which Indians were included in these programs provides little indication of the problems involved in the extension of other provincial programs to Indians.

Although Indians have been included in the basic categorical programs described above they are not covered in all cases by the supplementary allowances which some of the provinces provide for the recipients of categorical allowances.

As noted above the basic welfare activity of the Branch is the provision of social assistance -- often referred to by such other names as relief, or public assistance -- to reserve Indians. This welfare activity is normally handled by the provinces for non-Indians. As part of its general policy of eliminating unnecessary differentials in the treatment of Indians the Branch has attempted to induce the provinces to extend their public assistance to Indians, using provincial regulations and provincial scales of relief payments. Vigorous pursuit of this objective is given additional impetus by the increasing burden of social assistance costs, a desire to relieve superintendents and their assistants of a task for which they possess no special qualifications and which, it is widely believed, hinders rapport with Indians.

Thus far the Branch has been conspicuously unsuccessful in its attempt to get the provinces to extend their social assistance programs to Indian reserves. Only in Ontario has any progress been made and in that province the initiative for the change came from the Ontario government. Because of its uniqueness and its importance as a possible precedent a short analysis of the Ontario arrangement will be given.

Under the arrangement with Ontario the province amended its General Welfare Assistance Act in 1959 making provision for the participation of Indian Bands on the same basis as municipalities. Band councils wishing to come under the Act appoint their own welfare administrator, pay the costs of administration and 20 per cent of the cost of all social assistance payments made. Eighty per cent of the payments is refunded by the province which in turn is reimbursed by the federal government under terms of the Unemployment Assistance Act for 50 per cent of the total costs of allowances granted.

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[1] Review of Activities 1948-58, p.15.

The cost to the province therefore amounts to 30 per cent of the payments made. The band council is required, of course, to administer social assistance at provincial rates and in accordance with provincial regulations.

In order for Indian Bands to come under the provincial act it was necessary for the federal cabinet to pass orders-in-council to allow bands to manage their revenue moneys so that they could pay their 20 per cent share of social assistance payments. Such orders-in-council bring the band under the provisions of Section 68, subsection 1, of the Indian Act which states, "The Governor-in-Council may, by order, permit a band to control, manage and expend in whole or in part, its revenue moneys and may amend or revoke any such order."

By March 31, 1961, seventeen Ontario Bands were authorized to participate in the plan. By 1965 thirty-five bands representing about 43 per cent of the Ontario Indian population were administering social assistance on the same basis as municipalities under the General Welfare Assistance Act.

Many band councils have appointed a welfare committee which directs the work of the administrator and sometimes makes decisions concerning the eligibility of applicants to receive assistance. Band welfare administrators receive occasional direction from provincial regional welfare administrators in connection with accounting and claiming procedures but no training in rehabilitation counselling or assistance granting skills.

The advantages ensuing from a band's inclusion under provisions of the General Welfare Assistance Act relate both to the placing of the onus for administration on the Indians and to the fact that under this arrangement the province shares in the cost of assistance granted on the same basis as in surrounding municipalities. Financially there has been a saving of funds by the Indian Affairs Branch and by those bands which previously paid more than 20 per cent of their social assistance costs out of band funds.

From our discussions it appears that the arrangement is operating to the satisfaction of federal and provincial officials as well as band councils. A provincial official intimately involved with the participation of Indians under the Act stated that "in southern Ontario we can boast about the administration of Indian reserves . . . In certain cases . . . Indian Bands are an example to neighbouring municipalities . . . . We couldn't ask for them to be better."

The administration of assistance by an Indian administrator appointed by and responsible to the band council is a practice which might be followed in extension of provincial services in other parts of Canada. It will be useful therefore to point out some of the advantages and disadvantages inherent in such administration:

Advantages:

1. Assistance is probably more readily available than if administration was in the hands of government officials remote from a particular reserve. An applicant can supposedly approach the band welfare administrator for help any day of the week. Of course, when approval of the application by the band welfare committee is necessary, the granting of assistance might be delayed.

2. Better controls can be maintained by a person closely connected with the needs of applicants. This knowledge might prevent abuse and false declarations of income.

3. Band council funds are being spent, not by a non-Indian official, but by a servant of the council. This limited exercise in self-government may foster the development of other collaborative enterprises on the reserve.

4. The provincial government is saved the expense of recruiting additional staff to grant assistance to Indians.

5. The pattern of administration of assistance differs little from that practised in the dominant society. Indians are not segregated for special treatment.

Disadvantages:

1. An administrator's impartiality in application of regulations may be subject to various pressures owing to his necessarily close relationship with other band members and the superintendent.

2. Band council administration of assistance restricts the confidentiality of an individual's application and his family circumstances.

3. Little rehabilitation counselling can be done by band administrators who are frequently poorly informed about legislation and off-reserve resources.

4. Band administrations appear to lack a clear understanding of the purpose of social assistance, i.e., to provide needy people with a minimum level of health and decency. A good program of social assistance is too frequently interpreted as the provision of as little financial help as one can get away with, ostensibly to keep relief costs down and discourage dependency.

The preceding disadvantages require some elaboration, as they constitute serious drawbacks in band administered welfare. The following excerpts from the reports of our field workers illustrate the low status in which welfare seems to be held:

1. The chief has definite opinions about welfare -- it is bad, it corrupts, it is unfair use of other people's money . . . . He thinks that all welfare recipients should be made to work. Although this band has been told they must not work their recipients, of course, they still do. They have them working around the band owned buildings, cleaning up the picnic area and even doing a little brushing on the roadside.

   The welfare administrator implied that it is only in the most clear-cut case that welfare is paid . . . the administrator gets criticism from the steadily employed band members for handing out money to undeserving people and thus misusing band funds. This bit of the band paying 20% of the welfare cost is really operating as an effectual check on expenditures.

2. The first winter when ________ was chief, they also started a work program under the welfare scheme. They paid able-bodied welfare recipients only if the latter went out and cut four cords of pulp wood . On the winter's operation the band came out two or three hundred dollars to the good! This is, of course, highly illegal, and the council and welfare administrator got themselves bawled out for doing this.

3. Welfare is customarily handed out by the band secretary who first consults with the chief. In the instance involved both the chief and the secretary were present. The individual who made the request was rejected on the basis that the superintendent had said that no welfare was to be given out. The band secretary, when the individual had left, revealed that this was not so in fact but that there was lots of work available. The secretary added that shifting the blame to the Indian Affairs Branch was really the only ploy that could be adopted in such a small community. 'Thank goodness we can tell them the superintendent says no because it would be pretty hard to live in a small place like this if we have to take all the responsibility -- they would really be down our necks then.'

4. When I asked the assistant superintendent about this man he replied, 'Oh, he's pretty good. He keeps welfare costs down.' However, the district provincial welfare coordinator feels that he is not administering relief properly at all, but merely giving out small sums to 'keep the people quiet.'

> The policy of turning over more of the administration of welfare to band councils has attendant dangers. Councils can use welfare as a reward, or withhold it as a punishment to control votes, or apply values long ago rejected as destructive by the non-Indian community . . . . In any case, a non-Indian applicant for Social Assistance probably receives, in many parts of Canada, at least token casework from a social worker; Indians receive none.

5. A chief stated: 'Two years ago when we were elected, the previous concil was giving what we term direct relief. That is -- ask and you shall receive -- more so if you are my friend. We decided that where band funds were being used, we have to give the band members something for their money. We also made ourselves believe that the only reason this man needed relief was because he couldn't find a job. We came up with the notion that all able-bodied men applying for welfare would be supplied with a job. The number of days he would be allowed to work would be according to the size of his family. We had them cutting brush along the roads, working on band buildings and any other job we could create to improve the appearance of the reserve. We didn't pay full wages on the job, so it wasn't any incentive to stay on welfare. As a result our welfare was sharply reduced.'

There are therefore significant disadvantages to band administration of welfare. However, most of the disadvantages are equally applicable to the administration of welfare by Indian superintendents or their assistants who are also devoid of welfare expertise and can apply little rehabilitative counselling. One chief, for example, expressed strong preference for band-administered welfare over the previous system in which the agent used his discretion to play favourites, or, as we were told, "make it hard for a person if he happened to think drinking was bad."

More generally, the disadvantages noted above are probably characteristic of local welfare administration in many small communities. A well-informed provincial official stated that "methods of administration on reserves compare favourably with those of small municipalities." Probably the disadvantages could be counteracted, if not eliminated, by more supervision by provincial officials, which at present seems to be minimal. In addition, Indian participation in the occasional two-month training course put on by the province for municipal welfare officials, and at the two-year course in Public Welfare Administration at Ryerson would undoubtedly improve the quality of band welfare administration.

Although the Ontario arrangement has been a relative success the Branch has been unable to work out comparable arrangements with any other province, in spite of several attempts and explicit policy declarations of the desirability of such arrangements. In several provinces agreements have been reached with respect to off-reserve Indians, both before and after they establish residence. However, outside of the Ontario Bands participating under the General Welfare Assistance Act the Branch continues its traditional function of social assistance provision to on-reserve Indians.

The role of child welfare agencies has been summarized as follows:

> The child welfare agencies, provincial or private, have the authority to investigate cases of alleged neglect and, if necessary, to apprehend a child and to bring the case before a judge, upon whom rests the responsibility of deciding whether in fact the child is neglected. When neglect is proven, the court may direct that the child be returned to his parents or parent, under supervision, or be made a ward of the province or Children's Aid Society, or, in Quebec, be placed under the authority of a suitable person or agency. The appropriate agency is then responsible for making arrangements to meet the need of the child insofar as community resources permit. The

> services may involve casework with families in their own homes, or care may be provided in foster boarding homes, in adoption homes, or, for children who need this form of care, in selected institutions.

The necessity for provincial cooperation is especially great with respect to child welfare. By virtue of Section 87 of the Indian Act, Indians are subject to the provisions of child welfare legislation on the same basis as other residents of a province. Thus Branch officials lack legal authority to deal with abandoned or neglected children or juvenile delinquents in such matters as apprehension, guardianship, and adoption except through the cooperation of duly constituted provincial officers. In those areas where services are not yet available to Indian children, Indian Affairs Branch staff may, with the consent of parents or guardians, arrange for care of neglected children in foster homes or institutions. This situation, however, has many drawbacks.

> When you come to a situation in a family where the child is in a neglected situation, and its legal guardian, parent, or even grandparent, or somebody legally appointed refuses to cooperate in our plans to try to protect the child, in such cases we are in a difficult position, because when it comes to enforcement, we must rely on the provincial law and the provincial agencies. But one way or another we get around it. However, it is not too satisfactory.[1]

At the end of World War II neither provincial government nor private child welfare services operated to any extent on reserves, although provincial child protection legislation applied to all residents of the province. Indian agents thus had to cope with abandoned or problem children on their own. Younger children whose care presented a problem were often informally placed with another family on the reserve to whom maintenance payments were made. If the child was old enough the boy or girl could be sent to a residential school.

These grossly inadequate procedures were roundly condemned in the joint brief of the Canadian Welfare Council and the Canadian Association of Social Workers to the 1946-1948 Joint Committee of the Senate and House of Commons. In the context of a general criticism of the inadequacy of welfare services provided to Indians the brief specifically pointed out that:

1. Indian juvenile delinquents, apprehended off the reserve, were in most cases returned forthwith without any attempt being made for their treatment or reform.

2. The practice of adopting Indian children was loosely conceived and executed, and was usually devoid of the careful legal and social protection afforded to white children. Frequently children were simply absorbed into the homes of relatives or neighbours without any legal status.

3. As 'wards of the federal government' Indians were not eligible for benefits under provincial legislation, and thus Indian children lacked the protection afforded under social legislation which was available to white children.

4. 'With respect to the child welfare aspects of residential schools we urge the abandonment of the policy of caring for neglected and delinquent children in educational institutions. These children require very special treatment and we suggest utilization of recognized child welfare services. Arrangements might be made with provincial child caring authorities to supply a service on the basis of payment for individual cases where it was deemed

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[1] Joint Committee, 1961, p.363.

> advisable . . . . Otherwise the federal authorities should provide their own service.'[1]

In general terms Branch policy is in accord with the above recommendations. The Branch is attempting to ensure "that the welfare of neglected dependent and delinquent children is protected through the enforcement of provincial legislation and the provision of related services by the provincial welfare departments and accredited child care agencies." To this end the Branch hopes "to secure the extension of provincial child welfare services for protection of Indian children living on reserves."

In contrast to the glacial process of provincial involvement in social assistance there has been a significant extension of child welfare services to reserve Indians in the last decade. In nearly every province there is now at least a minimum availability of child welfare services in the most urgent cases.

The involvement of the provinces began with Ontario in 1955-56 after a Select Committee of the Provincial Legislative Assembly, which issued its report in 1954, Civil Liberties and Rights of Indians in Ontario, recommended that "agreements be reached between the Indian Affairs Branch and the province on behalf of individual children's aid societies for extension of the societies' services onto reserves throughout the province, and that such extension should carry with it full compensation for service on the part of the government of Ontario." Agreements were later concluded with the Yukon Children's Aid Society in 1959 (and later in 1961, retroactive to 1960, with the Yukon government), with Nova Scotia in 1962, and with the Societies of Western (1962), Eastern (1964) and Central Manitoba (1964).

In all cases where agreement has been reached the program appears to be operating with reasonable satisfaction to Branch officials, Children's Aid officials, and the Indians.

In the remainder of the country the situation varies from unsatisfactory to appalling. In Quebec, child welfare services are available to Indian families through the Diocesan Social Agencies in the same manner as for non-Indian provincial residents with the Branch paying the prevailing maintenance costs. However, it appears that the quality and quantity of services offered Indians varies from agency to agency. Some diocesan social agencies offer comprehensive service including protection, placement, adoption and counselling services to unmarried mothers, while other agencies restrict their services to adoptions and guardianship assistance. A diocesan social agency is located in the area of most reserves.

In New Brunswick and Saskatchewan Children's Aid Society services are available only in cases of extreme neglect. In New Brunswick many foster home placements continue to be made without Children's Aid Society assistance. One Children's Aid Society has been recently refusing to provide any services at all. In Saskatchewan, unless a child is committed to the Minister of Welfare under Section 9 of the federal Juvenile Delinquents Act, it is exceptionally difficult to activate provincial officials. Only two or three Indian children are taken into provincial care each month, although it is recognized by provincial officials that the need for more extended coverage is pronounced. The Child Welfare Branch will only accept cases when the Branch can report that a child's life is in danger. With this exception provincial child welfare services are not available, although the province does handle adoption cases both on and off the reserve. Most Indian unmarried mothers who seek help from provincial welfare offices are simply directed to return to their reserve. Where neglected children do not exhibit the degree of serious neglect required to bring provincial officials into the picture the onus rests with superintendents to make what provision they can for neglected children, including foster home placement. The service provided falls far short of adequacy. Many neglected children of school age are still sent to residential schools owing to the absence of proper child care services in the province.

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[1] Joint Committee, 1947, pp.157-60.

The inadequacies of the Saskatchewan situation were pointed out by a committee of Saskatchewan superintendents in 1963 as follows:

> As the situation is at present, Indian children living on reserves do not have the same protection services available to them as non-Indian children. There are many cases where the superintendent or his assistant has to take action because the lives of children are endangered, and in actual practice they are working outside the law and leaving themselves in a vulnerable position. This situation cannot be allowed to continue. Either we negotiate for immediate extension of provincial child care services to reserves, or request that the necessary arrangements be made in the Child Welfare Act to make it possible for Indian Affairs Branch staff to legally take action in neglect cases.

In Alberta only limited child welfare services are available to reserve Indians. In most cases of neglect the superintendent attempts to find a suitable home on the reserve which will accept a neglected child while at the same time obtaining the parents' permission to such placement. Where parents prove to be non-cooperative, the superintendent is able to secure the intervention of provincial child welfare authorities only by an exceptionally complex process. Provincial child care workers will handle Indian adoptions and provide minimal services to unmarried mothers; however no preventive work is conducted on reserves. The fact that more than ten times as many Metis wards have been in the care of the Superintendent of Child Welfare as have Indian wards in recent years provides a rough indication of the availability of child care services to the two groups since they are approximately equal in population, and presumably exhibit a similar incidence of neglect. Provincial officials admit that outside the services provided by the R.C.M.P. and the Indian superintendent "very little is being done with the Indian in his home," and that "more help is needed for these unfortunate people."

In Manitoba outside the area covered by the Societies of Western, Central and Eastern Manitoba, the situation is most unsatisfactory. The agreements in that province only cover about one-fifth of the Indian population. In most of the northern part of the province superintendents supply the only child welfare service, attempting to deal with neglect cases by making foster home placements with the consent of the parents or sending children to residential schools. Provincial field offices with child welfare staff are located near many reserves but no assistance is extended in the case of reserve Indians. The situation is complicated by the fact that the Branch has no legal jurisdiction in the area of child welfare and superintendents are unable to apply provisions of the Child Welfare Act. As a result superintendents are frequently faced with appalling problems of parental neglect which they neither have the means nor the competence to deal with effectively. One superintendent told us of a case in which he placed five neglected children in a foster home on two different occasions only to learn that after a few weeks the parents took them away. The superintendent said that when he last heard of the family, the youngest four children were living in a hotel room with an uncle in Winnipeg. Similar cases of the impossible position in which superintendents are frequently placed due to the absence of effective provincial machinery which they could employ were brought to our attention again and again. A Quebec superintendent told us that when Diocesan social agencies cannot be employed and a placement is required: "We usually accept any home available to get the children shelter. We can't follow up placements like social agencies, so we then forget about the children except for paying for them."

The extension of child welfare services to Indian reserves in the last decade represents one of the most significant achievements in the elimination of discriminatory treatment between Indians and non-Indians in the field of welfare. It is likely that some of this success is related to a special sensitivity of politicians and administrators to the sufferings of small children In a number of cases it is clear that a major part of the initiative for service extension came from social workers and welfare specialists in the Children's Aid Societies and provincial welfare departments. Even before services were formally extended the Children's Aid Societies had provided services to reserve Indians in some areas. A 1956 survey in Ontario noted that sixteen Societies provided services in the southern part of the province. Three of them provided full services to the Indian population in their area, and the other thirteen provided partial services in such areas as taking wardship action, finding foster homes on request, protection of children born out of wedlock, and planning with unmarried mothers. It seems clear in the light of this and other evidence that the humanitarian ethic and professional values of social workers are positive factors facilitating the extension of child welfare services when recalcitrant problems of staff and finances can be overcome Yet even now provincial child welfare services have been extended to only about 50 per cent of the Indian population. In some provinces, as previously noted, the situation is very unsatisfactory. Twenty years after the brief of the Canadian Welfare Council and the Canadian Association of Social Workers to the 1946-1948 Joint Committee of the Senate and House of Commons many of the conditions then criticized still remain.

Once agreements have been made to extend child welfare services a number of minor problems have arisen These relate partly to the administrative and financial problems which are endemic in intergovernmental agreements. In some cases the professional orientations of the social worker and the layman's values of superintendents have caused misunderstandings. On occasion Children's Aid Societies have expressed public criticism of Branch welfare and housing practices These problems do not by and large seem to have been of a serious nature In fact, child welfare is an area where, on the whole, the Branch has deferred to the professional qualifications and knowledge of social workers As a result, the Branch buys the service offered without attempting to control its content. This pattern also prevails in education, and contrasts with community development, a much less precise area of activity in which, as a consequence, disagreement and tension have been much more conspicuous

Limitations of time prevented us from attempting to assess the degree of special difficulty, if any, which attended the relationships between social workers and Indians From the files and conversation it was clear that problems of winning the confidence and understanding of the Indian community did exist, and had to be overcome by cautious and patient effort. We were told that Indians have been reluctant to present their problems to the Children's Aid Society Referral has usually had to come from a government official, such as a superintendent, health nurse, or school principal. Considerable difficulty has been experienced in finding foster homes for Indian children. Adoption placement is also difficult and complicated by the fact that even though few Indians are in a position to adopt, there is sometimes antagonism when Indians are adopted by non-Indians. In general, social workers have found that it requires much skill and time to establish a therapeutic relationship with members of Indian communities. The weak nuclear family unit but sometimes strong extended kinship bonds of Indians frequently produces behaviour on the part of Indian parents that the Children's Aid workers find difficult to accept.

The preceding problems, however, must be put in perspective. Many of the above problems are not unique to service in Indian communities. There are never enough foster or adoption homes; persons with child welfare problems seldom present them directly to the agency; each ethnic group has its own kinship system; and finally, social workers have never had an easy job in establishing unguarded relationships with other groups and classes. We conclude therefore that there is no uniquely Indian aspect to the problem of Indian-social worker relationships which constitutes a major barrier to service. The habituation of the Indian community to child welfare services with the passing of time, and the accumulation of experience by sensitive social workers will undoubtedly reduce the apprehensions which are products of uncertain initial encounters. The appointment of Indians to Boards of Directors of the Societies, and consultation with the chief and council would undoubtedly contribute to improved relations between the Societies and Indian communities.

For many years the provision of welfare services to Indians has been plagued with differences between the Branch on the one hand and provincial and municipal authorities on the other concerning residence rules in establishing eligibility for social assistance and other programs. Frequently, while administrators argued as to which jurisdiction should administer and pay for assistance to such people as non-Indians living on reserves and Indians living off reserves, the client suffered. The frequent disputes over governmental responsibility for the provision of off reserve services to Indians have been detrimental to the free movement of Indians in Canadian society, and as a consequence have limited Indian freedom of choice in making objective determination of the advantages and disadvantages of living away from the reserve.

It has been a matter of concern to the Indian Affairs Branch that in some cases Indians, despite the fact that they have lived in a municipality for a number of years, have been refused needed welfare assistance because of their Indian status. The rationalization for this exclusion has been that the Indian is a 'ward of the Crown' and therefore an exclusive federal responsibility. Under these circumstances the Indian has either taken the path of least resistance and returned to the reserve for help, or the Indian Affairs Branch has been placed in the difficult position of attempting to administer assistance for an Indian who has established residence in a community far removed from the Agency organization designed to administer the affairs of Indians on reserves. This practice also perpetuated the segregation of Indians into a separate group to whom the ordinary regulations did not apply and for whom the ordinary community services were not available on the same basis as for other persons.

Less than a decade ago one province and its municipalities consistently maintained a position that welfare assistance to persons of Indian status was a direct responsibility of the federal government regardless of residence qualifications. At the same time the general municipal attitude in another province was simply that relief was not granted to Indians, again regardless of residence, not even emergency medical attention, on the grounds that Indians were the entire responsibility of the federal government.[1]

The confusion and uncertainty which has prevailed with respect to governmental responsibility for the off-reserve Indian constituted the brunt of numerous briefs to the 1946-1948 Joint Committee of the Senate and House of Commons and to a lesser extent to the second Joint Committee in 1959-1961. At the 1946-48 hearings there was very noticeable confusion between Indians and the Branch as to the period of time for which the federal government would continue to provide medical and welfare assistance to the off-reserve Indian.

Since that time considerable progress has been made in clarifying government responsibilities in these matters. In the previous chapter it was noted that the Branch recently acquired authority to provide welfare assistance to non-Indians on reserves.

Efforts to reach a common understanding with the provinces concerning responsibility for provision of assistance to off-reserve Indians have been particularly successful in Alberta and British Columbia. In Alberta a reciprocal arrangement became effective July 1, 1962, under which the Branch basically assumed administrative and financial responsibility for the provision of assistance, at Indian Affairs rates, to non-Indians on reserves while the province assumed responsibility for the financing and administration of assistance to off-reserve Indians. The agreement does not include Indians moving to southern Alberta for seasonal agricultural employment, and does not include northern Indians, defined as Indians north of the northern boundaries of the Provincial Welfare Regional Offices of Peace River, High Prairie, Athabasca, Lac La Biche, and Bonnyville.

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[1] For the situation in Manitoba in the late fifties see J. H. Lagasse, The People of Indian Ancestry in Manitoba, Vol. 1, Chap. 8. Lagasse's study makes clear the widespread antipathy of Manitoba municipalities outside of Greater Winnipeg to granting welfare assistance to Indians, and the numerous pressures they used to send Indians 'home'.

In British Columbia a joint federal provincial statement on social assistance and health services to Indians was implemented on April 1, 1963. The arrangement provided for provincial or municipal granting of social and health services to Indians who have been resident off the reserve for one year without receiving social assistance. In the case of Indians who have less than a year's residence, the provincial or municipal authorities agreed to grant assistance with the Branch reimbursing the amount not collectable under the Unemployment Assistance Act. Assistance and health services to non-Indians on reserves are administered by the Indian Affairs Branch and the Indian and Northern Health Services on a charge back basis. Indians residing on reserves remained the responsibility of the Branch.

In other provinces the arrangements possess less formality than in British Columbia and Alberta. In all provinces, however, it is now typical practice for local or provincial welfare officials to provide assistance to off-reserve Indians if residence is established. There are, however, still some exceptions to this general practice. It was brought to our attention that some welfare agencies in Ontario, Quebec, Nova Scotia, New Brunswick, and Saskatchewan consistently refuse to grant assistance to Indians who have resided off reserve for more than a year. Uranium City in northern Saskatchewan refuses to issue Social Aid to Indians under any conditions. Apparently assistance was extended in October, 1961, and as a result many Indians from Stony Rapids and Fort Chipewyan areas came into the town.

Where the Indian has not established off-reserve residence the situation is more complicated. Only in Alberta and British Columbia are there formal understandings which assure that Indians moving off reserves will be granted social assistance prior to the establishment of residence. In other provinces the practice is variable, but it is not infrequent for the Indian to be directed back to his reserve or to the nearest Branch office.

At the time of collecting this information the extension of provincial welfare services to Indians fell far short of total coverage. Where provincial welfare programs exist that are of general applicability but exclude the minority Indian population from their benefits, whether on the reserve, off the reserve, or both, we have chosen to describe the resultant situation as discriminatory. Discrimination is an unpleasant term replete with emotional overtones of racial attitudes and we do not use it lightly. The fact is, however, undeniable. Only one of the provinces allows some of its reserve Indians to participate in its general assistance program. Indians in some provinces receive the same quality of child care services as other residents, but not in all provinces.

This is not to imply that the reasons for discrimination lie simply in the callous attitude of provincial governments. The present relationship between Indians and provincial governments is the product of history. Until recently the federal government, acting on the assumption that Indians were its exclusive responsibility, and making only token efforts or none at all to involve the provinces, was itself significantly responsible for provincial indifference.

In spite of the gaps in the availability of provincial services the general direction of change has been clearly in the direction of minimizing discrepancies. In comparison with the situation which prevailed at the end of World War II there has been marked progress. In addition, the gaps which remain are almost universally admitted to be unjustifiable and ultimately indefensible. A process of provincial involvement has been initiated which is unlikely to be reversed. The tendency to consider the welfare needs of Indians as the exclusive concern of the federal government is breaking down, although the Indian is still a long way from receiving welfare services similar in quantity, quality, and source to his fellow citizens. Further, even where provincial and private agencies have extended their services to Indians they have largely done so on the basis of special financial arrangements with the federal government. The extension of normal provincial services to Indians has tended to be fostered by special financial arrangements.

The ultimate objective of the Branch is termination of its welfare services "as soon as the welfare services and programs provided other Canadians are accessible to Indians." The role of the Branch is therefore viewed as transitional, based on the need to overcome the gap in services caused by the unavailability of provincial and other welfare services, and on the fact that the special needs of Indian communities may require in the short run special federal services beyond those available from ordinary sources.[1]

As noted in an earlier section of this chapter we do not agree that the Branch has any treaty, constitutional, or legal responsibility either to provide welfare services to Indians or to enter into special financial arrangements to induce the provinces to extend their normal services to Indians. The problem, therefore, is not legal but simply political. The federal government, for obvious reasons, cannot disengage itself from its traditional responsibilities without the cooperation of the two groups who will be affected by such action, the Indians and the provincial governments.

A number of basic factors are operative to render likely a continuing extension of provincial welfare services to Indians. In every regional headquarters senior officials of the Indian Affairs Branch have accepted the desirability of provincial involvement in the area of welfare, and these officials operate within a policy framework which lends coherence to their efforts. In some cases Branch officials have managed to develop particularly close and intimate relationships with provincial welfare officials. In British Columbia, for example, a federal-provincial Welfare Committee composed of three representatives from both the Branch and the Department of Social Welfare has been advocating and developing proposals for provincial extension of welfare services for several years. The committee has been an important vehicle for exchanging information and developing agreement at the official level on the desirability of eliminating discrimination in the welfare field.

Provincial welfare departments are generally sympathetic in the abstract to the desirability of including Indians within their normal services, although they are not always committed to the desirability of complete extension immediately. The professional ethic of trained welfare officials and their generally hostile attitude to ethnic discrimination constitute a basis for favourable responses in provincial departments. The unreality of an ostrich policy is obvious to any reflective provincial administrator. One senior provincial official informed us that the province must "get into the picture as soon as possible as for the last ten years Indians have been leaving reserves to become 'provincial wards' without our having any say in the matter. We must now meet the practical problem of need on the reserves and deal with the Indian situation as a total situation." It is likely that the cogency of this argument will increase as movement off the reserve continues and involves welfare officials, police, educational institutions, employers, etc., with Indians whose adaptability might have been improved by amelioration of the reserve conditions from whence they came.

In a few cases the inclusion of Indians is seen as providing a possible lever for the improvement of provincial services either in terms of rates or the quality of administration. An important consideration here is that the addition of Indians to the welfare case load in isolated areas will permit the stationing of officials where the non-Indian population is too small to justify such action.

The extent to which pressure has been exercised by Indian and non-Indian organizations for the extension of provincial services varies from province to province. In general terms we conclude that thus far such pressure has been of minimal importance as an inducement to government action.

The present attitudes of Indians and their likely future responses to an extension of provincial welfare services cannot be stated with precision. The impression gathered from federal and provincial officials was that on the whole Indians favoured moving into the provincial framework of welfare services. In a few cases Indian Bands or organizations have requested specific provincial services in such areas as child welfare, day care centres, and the provision of social assistance. At the same time it is evident that many Indian communities have a strong lingering distrust of the provinces. In some cases Indians have even resisted inclusion under federal categorical programs. At the commencement of family allowances there was some reluctance of Indian families to register. The 1947 Annual Report estimated that approximately 3,000 Indian children did not receive payments for this reason - largely in the Clandeboye, Six Nations, St. Regis and Caughnawaga agencies. In most cases this reluctance seems to have been overcome, although as late as 1961 some members of the Six Nations were still refusing family allowances and old age pensions.[1]

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[1] Joint Committee, 1961, p.355.

The extension of provincial welfare programs will undoubtedly encounter some Indian trepidation and antagonism. There are numerous indications that many Indians in Quebec fear that provincial administration of their welfare services will jeopardize what they consider to be their special status in relation to the Crown and Government of Canada. The speech of an Ontario M.L.A. who warned the provincial Minister of Public Welfare that every effort should be made to consult with the Indians is a perceptive summary of the problems that undoubtedly exist at the level of latent Indian attitudes.

> Tell them that you are most willing to co-operate, because in my own experience in talking to them I have found that they are not too willing to have the provincial government move in when the great white father -- even though he has been a very poor one in my estimation -- namely, the federal government in Ottawa, is still their father in their opinion. They are not too anxious to have other departments of government under provincial jurisdiction move in.[2]

In general, the contemporary climate of opinion, especially among administrative and political elites, is highly receptive to efforts to eliminate discriminatory practices pertaining to Indians. In the welfare field the post-war years have witnessed consistent improvements in the availability of adequate welfare services to Indians. There has been a gradual introduction of more adequate Branch programs. Indians are now eligible for federal categorical payments. The extension of provincial welfare services to Indians is well under way. There remain, however, significant gaps in the availability of provincial welfare services to Indians. In the following pages we will analyze the main factors which have complicated the process of extending these services to Indians.

An assessment by the chief, Welfare Division, 1961, of the reasons why provinces had generally been reluctant to extend services to Indians is a useful introduction.

> Most provincial departments face demands for existing services which limited staff and budgets are barely able to meet. Important sectors of provincial welfare programs depend upon participation of municipal and private agencies. Because of basic differences in land tenure and land taxation, it is often difficult for reserves to fit into this pattern, and because of the varying degrees of autonomy enjoyed by non-Indian communities, the treatment accorded Indians off the reserve may vary widely, even within the same province. The costs and other implications vary from province to province depending upon a wide variety of factors including general attitudes; the ratio of Indians to the general population; and the number of Indian communities located in areas which would be expensive to service because of remoteness, depressed economic conditions or where little or no provincial administrative machinery now exists. In addition, there has been a considerable degree of apprehension amongst provincial welfare staffs at the prospect of an addition to present

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[1] Joint Committee, 1961, pp.25-26.

[2] Ontario Hansard, June 17, 1965, p.4366.

heavy case loads of persons in the unfamiliar settings of reserves.[1]

The substantial accuracy of the preceding is borne out by our own research. It constitutes, however, only a partial explanation, particularly for the absence of progress in the first decade and a half after World War II. Essentially the above explanation attributes slow progress to the complexity of the problem rather than to the inadequacy of the federal attempt to overcome it. As noted elsewhere in this chapter the Branch lacked a firm philosophy of social welfare. Welfare was seen in primarily negative rather than positive terms. This reflected the relative lack of professional social work staff in this period and the low status enjoyed by that particular sector of Branch activity. There have never been more than two or three social workers at headquarters, and these workers appeared to be operating largely in isolation from those in the regions. Also, until 1963 the Welfare Division was not headed by a professional social worker.

The significance of the absence of welfare expertise is debatable, but it seems likely that had there been more highly qualified staff employed both in headquarters and in the field, relationships with professionals in provincial departments of welfare would have been enhanced. Had this been the case intimate horizontal links with provincial officials might have become the precursor for a greater degree of provincial involvement than in fact took place.

The low priority accorded welfare and the relative absence of qualified welfare expertise in the Branch possibly accounts for the fact that until 1965 the Branch had no firm proposals to place before the provinces. It is true that the statement of the Minister, Mrs. E. Fairclough on April 8, 1960, indicated the willingness and desire of the federal government to negotiate "agreements with the governments of the various provinces for the extension of normal provincial welfare services to persons residing on Indian reserves". The federal government declared itself willing to pay a reasonable share of the costs of the benefits over and above normal federal sharing in federal-provincial agreements, and to share "reasonable costs of additional staff and administration for the application of such programs."[2] On examination it is clear that the statement is little more than a declaration of intent, and in no sense constituted a firm proposal. The result was that until recently the federal government conducted its relations with the provinces in an ad hoc manner. In the absence of a detailed and comprehensive policy position there was no basis for intensive negotiations with the provinces in search of mutually satisfactory agreements.

A related factor which harmfully affected the federal position was the absence of adequate research. With the exception of an internal study of welfare administration in 1947 and the welfare chapter from the Indians of British Columbia, published in 1958, the Branch lacked the relevant information on which it could base an adequate welfare policy and the role which the provinces could reasonably and usefully be expected to play. Research could have focused on such subjects as Indian attitudes to the social services, the use made by Indians of social assistance payments, and the cause of dependency among Indians. In addition, research could have examined the various methods and techniques by which normal provincial welfare services could have been extended to Indians.

In brief, the Branch could scarcely play a firm and decisive role in inducing the provinces to extend their services when its own philosophy of welfare was primarily negative, when it had no detailed policy position, when it lacked adequate professional expertise, and when it had done little research on the nature of the problems it was bent on alleviating. The cumulative effect of the preceding factors is simply that until a few years ago no concerted and systematic attempt was made by the Branch to obtain provincial welfare service extension. The attribution of blame for this unsatisfactory record of Branch performance is not particularly relevant. It might be pointed out, however, that given the suspicion of Indians, the explicable reluctance of the provinces to involve themselves deeply, and the general absence of continuing concerted public pressure for changes in the welfare arrangements affecting Indians - in these circumstances the only feasible source for the devising of plans and the pursuit of better treatment for Indians had to be the federal government itself, particularly the Indian Affairs Branch acting with strong ministerial support.

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[1] Joint Committee, 1961, pp. 354-55.

[2] Hansard, April 8, 1960, p. 3037.

With the above factors in mind we will now analyze certain specific barriers which have impeded the extension of provincial welfare services to Indians.

A basic factor is that provincial officials, elected and appointed, accord low priority to the extension of welfare services to Indians. The belief that welfare was only a palliative, that it did little to overcome dependency, and similar assumptions were frequently encountered. The following statements from influential policy makers in different provinces illustrate the extent of this feeling:

> "We are much more interested in education than welfare, as giving a man an extra $25 a month won't change the condition of the man."
>
> "Why buy into a share of grief?"
>
> "We are not anxious to get involved at the moment as this is the least rewarding government service."
>
> "The Premier reacts pretty distastefully to welfare so the federal welfare proposals would have to be sold under the guise of education."

In another province we were told that improved social services were necessary to end discrimination, but would contribute little to improving Indian living standards.

The perception that welfare services were particularly unrewarding, thankless, and "would be just one big headache to our department" was compounded by frequent provincial fears that the provinces would find themselves in unknown but escalating costs. A number of provincial officials reported a pervasive fear in their political superiors that the assumption of responsibilities was replete with such uncertain financial consequences that they would move towards agreement only with extreme caution and care. Thus when confronted with an increasing Indian population, a high incidence of dependency and rising welfare costs, provinces tend to resist involvement in Indian welfare programs. This resistance is integrally related to fears of the long run financial consequences to the province.

These attitudes in turn are frequently reinforced by staff shortages with respect to existing responsibilities, and by a natural concern to grapple first with those recalcitrant welfare problems for which the provinces already have responsibility. Not all of these attitudes and fears, of course, are present in all provinces, but where they are, they reinforce each other to create a province which fears escalating costs in the provision of a service which, it is felt, will have little beneficial impact in any case and will aggravate already serious staff shortages.

The above noted syndrome of attitudes is reinforced by a suspicion that federal motives are coloured by the desirability of vacating a politically unrewarding area of government activity, welfare, in order to emphasize the more politically rewarding role of acting as change agents via community development techniques. The problem of Indian dependency, we were told on a number of occasions was created by 'years of federal ineptitude and paternalism,' or reflected a general failure of the Indian Affairs Branch in nearly a century of control to make any significant breakthrough. Where it seems opportune this is supplemented as a reason for inaction with the receding, but still existent, belief that in any case the Indians are 'wards of the federal government under the British North America Act.'

The cluster of attitudes, financial considerations, and staff problems does not, of course, exist in a vacuum. The failure to achieve complete extension of provincial welfare services also reflects other factors which impinge on policy makers. In three provinces it was claimed that the failure to get a welfare agreement was part of broader concerns in federal provincial relations which induced the provinces to withhold agreement on welfare until concessions were made by Ottawa in areas completely unrelated to Indians. This, of course, also works in the opposite direction. Where a province enjoys generally amicable relations with Ottawa there is an increased likelihood of a favourable response to federal proposals.

Finally, the difficulties of obtaining an extension of provincial welfare services reflects a number of factors on the federal side. It should be noted here that some of the following statements may no longer be applicable since they refer largely to information gathered in the summer of 1965 when the Indian Affairs Branch was undergoing major organizational changes, and was attempting to complete its policy proposals in the field of welfare. It was, therefore, a time of great uncertainty, particularly at the regional level and among provincial officials as they were quite in the dark about what was happening at headquarters, a situation which created considerable frustration. Provincial officials argued that Branch headquarters had done nothing but procrastinate for the better part of a year. Regional Branch officials, uncertain of developments at Ottawa and therefore unclear on what proposals they were supposed to be selling provincial governments reacted with irritation. In some cases they avoided the embarrassment of confronting provincial welfare officials with empty hands by simply minimizing contact with them.

The optimum conditions for welfare service extension would include skilled and knowledgeable officials at both headquarters and in the field who had a comprehensive understanding of the provincial welfare pattern, and understood and identified with the objective of extending such services to Indians. The absence of these conditions necessarily impedes the stated objective. In two regions a lack of welfare expertise in regional headquarters inhibited the development of close and effective relations with provincial welfare officials. In one case the Regional Supervisor made no pretense of understanding provincial welfare legislation. Until very recently he had lacked the assistance of competent welfare aides. In another case the Regional Official mainly responsible for facilitating the extension of provincial services felt that welfare practices had fostered Indian dependency through their "paternalism and authoritarian overtones." As a result he resisted involvement in welfare matters which might sully the 'purity' of non-directive community development program he was trying to develop.

In a number of other instances there was less than whole hearted commitment at the Regional level to headquarters policy. There is, in fact, a natural tendency for Regional Branch personnel to adopt an approach to the extension of provincial welfare services which is much more understanding of the idiosyncracies which affect the responses of the provinces they know than is the case with their Ottawa headquarters counterparts.

For example, one Regional Supervisor who felt that relief had "got completely out of control" in his region, asserted that Indians were far too dependent on government financial assistance, and that it was unrealistic to expect the provincial government "to take over the present mess." In another instance a Regional Supervisor felt that there was far too much emphasis on the need for a uniform welfare agreement covering the entire country, and in any case he doubted that there was any pressing urgency to change the existing welfare arrangements. In three instances Regional officials were sympathetic to small scale ad hoc projects in local areas which were desired by the province concerned, but in each case headquarters was reluctant to breach its general principles for welfare arrangements, principles which were designed to have nation-wide application.

These differences in attitude between headquarters and regional officials of the Branch are not evidence of disloyalty by regional officials. They illustrate neither the obtuseness of headquarters, nor regional attempts to thwart headquarters policies. On the contrary, they are perfectly 'natural', in that they relate to largely unavoidable differences in the kind and range of factors which affect the reactions of the officials concerned. In one case, headquarters officials have a logical bias for uniformity. Such uniformity greatly eases the task of administration. Headquarters resists a variegated pattern of agreements from coast to coast for the simple reason that such a situation is administratively awkward, untidy, inconvenient, and difficult to control. Further, the application of a uniform agreement from coast to coast avoids the development of a situation in which the federal government is clearly discriminating between provincial governments, and which is difficult to defend to the less favoured provinces. Also, the span of vision at headquarters extends from British Columbia to Prince Edward Island and is by that very fact national in its orientation. Also, as a result of distance, headquarters officials are less aware of, or sensitive to the nuances of local situations which are well understood by field staff. Regional officials, on the other hand, are predominantly concerned with happenings in their own area of responsibility. They are concerned with successful relations with provincial officials, and the much greater degree of interaction they have with the province than is enjoyed by their headquarters superiors inclines them to become sympathetic to the provincial view. They are, therefore, automatically placed in the position of middlemen who play an interpretative role to the province and to their Ottawa superiors.

There are, it is clear, tricky and difficult problems involved in the triangular relationship between regional and headquarters officials in the Branch and provincial officials. There is no conceivable way in which these problems can be entirely overcome.

There did, however, seem to be an unnecessary amount of tension related to inadequacies of communication. During most of the summer of 1965 regional headquarters officials were almost completely in the dark about the development of the welfare agreement at headquarters. Headquarters is prone to forget the impossible position in which regional officials are placed when they do not properly understand the policy they are supposed to interpret to the provincial officials with whom they interact.

There are, therefore, complicated patterns of administrative interaction and communication which provide numerous opportunities for knowledge to be bottled up or distorted. Continuing recognition of the problem is essential if relationships are not to break down because of procedural problems in the transmission of information and the pursuit of agreement.

In the attempts to gain the extension of provincial welfare services to Indians we have the paradoxical situation that such a development is widely regarded as inevitable even by those who are lukewarm to its arrival and pessimistic as to its contribution to alleviating Indian need. Its inevitability is philosophically accepted as a consequence of the impossibility of discriminating against a minority ethnic group given the prevailing values of the community which ultimately govern public policy decisions. Lack of enthusiasm for such a development reflects a widespread low estimate of the role which welfare can play in Indian communities. This attitude, it should be noted, is found among Branch officials at both levels and among provincial officials.

At the present time the area which generates most excitement among officials is community development. It raises exciting possibilities of stimulating community action, getting now dependent people on the move, and, as a consequence, getting people off the welfare rolls and thus hopefully resulting in a net saving to governments and taxpayers. The possible efficacy of community development is considered elsewhere, but here it is essential to note that the emphasis on this technique has had the result of turning welfare, especially social assistance, into a second best program whose very existence is held to be proof of the failure of more 'positive' programs of social change.

There is a danger that a generally low assessment of the utility of welfare payments will be uncritically accepted as an allegedly obvious fact. It is evident that the status of being a welfare recipient is unlikely to be regarded as honorific for able-bodied individuals in a society which continues to regard work as the most legitimate vehicle for the acquisition of income. It may also be true that the low wages which many Indians are capable of earning tend to make welfare seem a more desirable alternative than in the case of individuals possessed of more marketable skills.

6.

The distinguishing feature of the preceding, however, is its irrelevance to the question of extending provincial welfare services to Indians. The very nature of the most widespread criticism of welfare, namely its supposed debilitating effect on its recipients, would not apply to child welfare programs, to rehabilitative welfare programs generally or to income support programs for those incapable of competing on the labour market due to age or sickness, etc.

More generally the conclusion is inescapable that if Indians are Canadian citizens they have the same right as any other citizen to services which are not inherently incompatible with their special status. It is therefore incumbent on governments to make the requisite arrangements so that the basic disabilities which attend Indian status in the welfare field are immediately ended. It may be logical on administrative grounds to assert that limited staff precludes the early extension of specific provincial welfare programs and services to Indians; on the other hand, there is no ethical justification for Indians bearing a disproportionate share of the burdens of limited staff. Staff shortages reflect the collective inadequacies of the governments and people of Canada in educating skilled welfare personnel and attracting them to the public service. Since most Indians have been deprived of the effective capacity to influence governments through denial of the franchise until a few years ago it seems singularly illogical and inequitable that they should be asked to stand at the end of a queue whose length reflects factors they had little capacity to influence. The argument of limited staff can be used as a reason for lowering the quality of welfare services received by Canadians generally. It is a perverse and unacceptable argument to suggest that it should be used to justify a specific denial of service to a particular minority of the citizenry.

The argument that welfare services should have a low priority because of their presumed insignificant impact on the Indian's problems is also unacceptable because it too is discriminatory. If welfare, in particular social assistance, is regarded as debilitating, these alleged effects would not justify Indian exclusion alone, since presumably many of the same effects would be apparent among non-Indians.

One final factor is of major importance in slowing down the pace of provincial involvement in the provision of welfare services to Indians. This is the usually implicit, frequently explicit, assumption that Indians are a marginal supplemental responsibility of provincial governments only to be included in the calculations of provincial policy if a surplus of resources is available. Unless this assumption is overcome the possibility of effectively alleviating Indian needs and helping them become responsible participants in Canadian society will be markedly reduced.

Welfare Recommendations:

1. Emphasis should be placed on the rewards to the provinces of extending their welfare services to Indians. These include:

   (a) An end to complex and time consuming investigations to determine administrative and financial responsibility for the provision of particular welfare services to persons of Indian status.

   (b) The opportunity to undertake area social problem management and amelioration in an integrated manner.

   (c) An end to existing and future charges of discrimination in welfare programs.

   (d) An improved fiscal base for extending welfare services to Metis and Whites in remote areas.

   (e) Avoidance of the establishment of a fully developed Branch welfare service which would compete with provincial departments for scarce staff.

(f) The inclusion of Indians in provincial welfare programs could be used as a lever to enlarge staff and, in some cases, improve existing welfare services.

(g) In some cases the proposed welfare formula provides a financial gain to the provinces.

2. All possible efforts should be made to induce Indians to demand and subsequently to accept provincial welfare services. Some activity of this nature is already being carried out with Indian Advisory Councils. Wherever possible this activity should be stepped up at all levels of contact from the band to the National Indian Advisory Board. Under existing policy band councils are given the 'right' to accept or reject provincial welfare services, and there will also be consultation with the Advisory Councils. Given Indian sensitivities and the public enunciation of the necessity for Indian approval before service extension takes place there will obviously be occasions when Indian attitudes will slow down the process. Nevertheless Indians should be made aware that the provinces, by providing Indians with welfare services, are not violating the British North America Act, the treaties, or the Indian Act. On the contrary, such action by the provinces will simply relieve the federal government of a function which it never had to perform and which it has performed poorly. The advantages resulting from extension of provincial services should be stressed. Eventual compliance by Indians with provincial welfare authorities should be taken for granted. In the long run it is impossible for a special group to have the option of ignoring provincial statutes in an area of provincial constitutional supremacy. However, if stiff resistance is encountered in the extension process, the Branch, with provincial support, could initiate new or continue existing administrative arrangements until such time as Indians are fully prepared to enter undifferentiated welfare programs.

3. The provinces should be encouraged to extend their welfare services to Indians, with the question of the standards of such services being essentially secondary. The question of standards is partially taken care of in any case by the necessity of Indian consent. More generally, however, it is evident that the advantages of extension of provincial services to Indians far outweigh any possible decrease in the standards of the services they will receive. It is extremely doubtful on the whole that a careful investigation would disclose any significant drop in service standards as Indians become recipients of provincial rather than federal services. As noted earlier in this chapter the Indian Affairs Branch has only eleven social workers for the entire country, and these are almost entirely involved in administration at Ottawa and the regional headquarters. Thus in child welfare, rehabilitation programs, and in all counselling relationships in which specialized training is required for the provision of adequate services, provincial superiority is almost inevitable, for at the field level the Branch has no expertise in these areas at all. In isolated cases the Branch may provide certain welfare payments at a higher level than the provinces. Even here, however, it would be unprofitable to retard provincial involvement and unrealistic to expect a province to establish a different set of standards in welfare payments to the Indian and non-Indian population. At the same time it would be courting animosity to expect Indians to accept a lower level of financial allowances from the new jurisdiction. A reasonable solution would be to encourage Indians to register for provincial benefits, which, if necessary, could be supplemented by the Branch until provincial allowances are sufficiently improved.

4. The Indian Affairs Branch, perhaps in conjunction with the Department of National Health and Welfare or the Canadian Welfare Council, should cooperate with the provinces on an experimental basis in the employment of indigenous non-professionals. Many provincial governments are faced with serious staff deficiencies. The extension of welfare services to Indians in areas remote from urban centres will probably increase the gravity of this problem unless alternative

techniques of administration are employed. A possible solution would be to hire appropriate reserve residents to assist in service provision. With a minimum of training there are probably many welfare activities which such persons could successfully perform under the supervision of a provincial specialist, e.g., home-making, youth leadership, parent education. In addition, each reserve could be guaranteed quick assistance in the event of distress such as child neglect. Employment of indigenous workers would not only relieve staff shortages, but it could help to bridge the gap between professional and client, and could raise Indian living standards through meaningful employment.[1]

5. Increased recognition should be given to the role which invigorated welfare services can play in improving the conditions of Indian existence. At present much prominence is given to the role that community development can play in improving reserve life, as opposed to "merely palliative" welfare services. It should not be overlooked that statutory welfare services of the traditional type also have an important role to play in this regard. This is not always appreciated, as is evidenced by the widespread condemnation of welfare for having contributed to the Indians' state of unhappy dependency.

   What should be condemned is not welfare per se, but the type of welfare which recently prevailed, and in some cases still does -- services which included financial help insufficient to sustain a minimum standard of living decency and administered in a manner calculated to undermine whatever dignity or initiative the client might possess, as well as child welfare services which only became operational in extreme cases.

   Welfare services cannot be relegated to a residual category of third class importance for they represent the formal expression of mutual aid in modern societies without which it is impossible for many people to approach the culturally decreed minimum standard of living. Programs such as social assistance, family counselling, and group work can do much to assist people to cope with the stresses of modern life. Other services such as day care, recreation, and home-making can contribute to the prevention of social problems. Adequate standards of social assistance can help to eliminate those cases of child neglect caused by inadequate resources.

6. Stricter controls should be placed on Branch relief administration. The time has come to put an end to the arbitrary powers still wielded by many superintendents and their assistants in supplying relief to indigent Indians. While remoteness, varying socio-economic conditions in Indian communities, and a faith in the ability of field personnel to administer assistance in an acceptable manner, probably led in the past to an aversion to requiring agents to conform to detailed manual instructions, there appears to be little contemporary reason why reserve Indians, like most of their off-reserve neighbours, cannot receive benefits according to predictable and enforced regulations rather than whim.

   Eligibility should be determined according to Branch or provincial regulations and should include a proper assessment of the client's needs. At least a modicum of counselling should accompany the granting of assistance. Too often superintendents merely grant whatever they believe the Indian will be satisfied with or 'deserves' and thus neglect to examine the person's needs and assets. Relief should always be provided in cash or cheque unless evidence exists of serious mismanagement, or banking or chequing facilities are unavailable. Employable recipients should always be provided with available information about work or training opportunities. Where a National Employment Service office is at hand Indian recipients of social assistance should be required to report regularly in the same way as non-Indian recipients.

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[1] See Frank Riessman, "The Revolution in Social Work: the New Nonprofessional," Transaction, Vol. 2, (Nov.-Dec. 1964), pp.12-17.

In their Kamsack study Shimpo and Williamson indicated that the Branch relief program was partially responsible for Saulteaux anomie. They added, however, that a more sophisticated administration of social assistance could play a positive role:

> Implied in this situation is the serious failure of the implementation of welfare services, which have become perfunctory, routinized, impersonal, and non-constructive. A properly administered social-aid program can be a learning process, if the recipients can be helped to perceive themselves and their situation, understand the implications, and seek for and try alternatives. This implies the need for a much more personal casework approach to the issuance of social aid, with the person responsible for evaluation and issuance properly trained and able to relate effectively with his clients so as to build a constructive atmosphere into the program.

Unfortunately this is a counsel of perfection as long as social assistance administration is in the hands of overworked laymen. Some improvements, however, are possible. The regional welfare consultant should make an annual evaluation of the standards of administration in each agency, and at that time investigate records, determine whether regulations are being correctly interpreted, and hear Indian complaints. Short training courses should be instituted for superintendents, their assistants, and band council welfare administrators in the principles of providing social assistance.

It is realized that many agencies currently lack sufficient staff to permit close adherence to a good standard of relief administration, and that this very problem has contributed to the call for extension of provincial services. There is also a danger in building up a Branch welfare establishment at the agency level whose existence would be imperilled by provincial administration of the services in which they have developed expertise. In the interim before provincial services are extended a compromise solution which would involve stricter controls on relief administration and the possible use of Indian assistants to augment agency staff seems appropriate.

7. As a general rule, the administration of assistance by band officials should only take place where it is provincial practice for small non-Indian municipalities to administer their own assistance. While exceptions might be made on such grounds as the desirability of building up administrative staff at the reserve level, such exceptions require special and careful justification. In terms of sound public assistance practice aid administered by a non-reserve official will usually be preferable to assistance given by a member of the reserve. In those provinces where municipal offices issue assistance there is no reason why many reserves could not conform to this pattern providing that they received the proper assistance and supervision. However, once the province has extended its program to Indian reserves, and provincial administration is the rule, administration by band officers should be strongly discouraged as it would perpetuate program differentiation.

8. In provinces which resist extension of welfare services, Indian bands should be permitted to complete arrangements with local private agencies for interim services. Simply because provincial governments are reluctant to extend services does not constitute a sufficient reason for Indians to continue indefinitely without them. If possible, child welfare services should be obtained from private social agencies where they exist, the full cost being paid by the Branch. Children's aid societies, if willing, could also administer the relief program.

9. More research should be undertaken in the area of welfare services for Indians. The Branch has made only limited use of research thus far. As a consequence there is inadequate information available about basic services available to Indians, let alone any analytical material on welfare problems. Accurate and up-to-date information about welfare

operations is at a premium in both headquarters and regional offices. As late as early September 1965, the February 1965 survey of Public Assistance still remained to be prepared.

Intelligent use of research could contribute not only to the provision of more useful help to Indians, but might facilitate the readiness of provinces to extend their services as some of the more formidable problems of welfare activities among the Indian peoples are explored.

Profitable areas for research would include:

(a) Case load analysis to determine the characteristics of relief recipients.

(b) Analytical comparisons of Indian and non-Indian dependency.

(c) Analysis of Indian attitudes to welfare programs.

(d) Effect of social assistance on willingness to undertake paid employment.

10. The Indian Affairs Branch should welcome and promote the growth of groups interested in obtaining better conditions for Indians, and should encourage local social planning for the Indian people. In democratic political systems government policy is markedly affected by the type and strength of pressures brought to bear on political decision makers. If Indians are to receive adequate welfare programs from provincial governments, there must exist demands for such services. A fruitful role can be played in this area by both Indian and non-Indian organizations. Consequently, every effort should be given to help Indians develop effective ways of identifying their problems and taking appropriate action within the provincial sphere. The Indian friendship centres which are developing in many parts of the country represent potentially powerful voices in the field of social problems, particularly as staff and boards of directors become more aware of the deficiencies of existing practices. In addition, organizations such as welfare councils, voluntary social planning bodies, and associations of social workers need to be made aware of gaps in services to Indians so that they can add their influence in seeking to obtain improved services. Groups such as the Indian-Eskimo Association and the Winnipeg Indian and Metis Conference which are already attempting to play such a role should be given every possible encouragement.

The experience of the Penticton Indian Affairs Committee which was organized in 1963 and which contains representatives from social agencies, schools, police, business, the Branch and Indians indicates the range of benefits flowing from local community involvement. The April 1965 newsletter of the committee listed among recent accomplishments: more Indian interest in housing standards, a better relationship with the R.C.M.P., establishment of a study hall for students, and the organization of a case work committee. Such groups obviously have an increasingly important role to play as Indians move into small and large urban centres. They should be strongly supported by the Branch and where alternative sources of initiation are lacking the Branch should help to develop such groups.

# CHAPTER XVI

# INTERGOVERNMENTAL RELATIONS

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## INTERGOVERNMENTAL RELATIONS

A quarter of a century ago Indian reserves existed in lonely splendour as isolated federal islands surrounded by provincial territory. Indians were regarded as "wards" of the federal government; the trespass provisions of the Indian Act were enforced; there was little off-reserve migration and, with the insignificant exceptions, none of the basic public services of the provinces extended to the reserves.

In the post-war years the inequity of the massive discrimination against Indian communities, which was an inescapable consequence of locating the reserves outside the normal range of services routinely provided by provincial governments to other citizens, came under widespread criticism. A steady growth in provincial involvement in providing services to Indians was advocated by the Joint Committees of the Senate and the House of Commons in 1946-48 and 1959-61. This has been supported by the two major citizen organizations interested in Indian Affairs, the Indian Eskimo Association and the Indian and Metis Conference Committee of the Community Welfare Planning Council of Greater Winnipeg. The extension of basic provincial services to Indians is now the stated policy of the Indian Affairs Branch, and has been accepted in principle by the provinces.

The rationale for this major policy change has been based on several elementary considerations. As provincial governments grew in importance and improved the quality of their administration, the anomaly of Indian exclusion from provincial services and from helpful contact with provincial administrative expertise became more serious. The post-war emergence of egalitarianism as a politically significant value rendered the justification for differences in the levels and qualities of services provided to Indians and Whites increasingly incapable of effective or convincing public sponsorship. The logical alternative to the extension of provincial services was the provision of comparable services by the Indian Affairs Branch. This was rejected because of the segregating effect such a policy would have, and because of the obviously uneconomic nature of an endeavour to establish and maintain parallel services for a small and widely scattered population. The necessity and inescapability of increased provincial involvement is fostered by two emerging trends, the tendency of Indians to move off the reserves and the growing importance of provincial governments in economic development. The former moves Indians outside the boundaries of the reserve to which Branch policies are basically limited, while the latter emphasizes the necessity for provincial cooperation in an area of pronounced Indian need, the improvement of economic opportunities.

As noted elsewhere in this report, significant progress has already been made in overcoming the hands off policy typical of provincial governments in the years up until World War II. From this perspective, and in view of the growth of Indian attendance at provincial schools, the extension of child welfare programs to Indian reserves, the inclusion of Indians in basic federal provincial programs of income maintenance, and the emergence of community development programs in several provinces, the overall increase in provincial involvement is little short of dramatic. Optimism is further encouraged by noting that in a number of cases this positive provincial interest has reflected provincial initiatives rather than responses to pressures from the federal government or from Indians. The general direction of change, is therefore, self-evident. Increasingly the position of Indians in relation to federal and provincial governments will approximate that of their fellow White citizens. While it is encouraging to be reassured that history seems to be on the side of intrinsically desirable changes, it is salutary to note the problems and barriers which still exist and which must be overcome. In this chapter, therefore, attention is directed less to the contemplation of the impressive triumphs of the recent past than to the continuing difficulties which complicate a successful and expeditious extension of the remaining provincial services to Indians.

The policy of extending provincial services to Indians gives rise to a need for intergovernmental cooperation which is unusual in its complexity. The policy itself is singularly diffuse in terms of the variety of functional areas which it encompasses. In the typical case, intergovernmental agreements in Canada have dealt with clearly delimited areas of activity such as forestry, selected aspects of welfare, hospital insurance, and numerous subdivisions of agriculture. The specificity of these arrangements has meant that intergovernmental contact and the search for agreement usually occurred between the professional personnel of similar departments in both jurisdictions. The scope and nature of Branch objectives--essentially the movement of a people into normal citizen relations with a multiplicity of provincial departments--make its task immeasurably more complex than is usually the case. It is humanly impossible for Branch officials to master all the areas of potential provincial involvement with anything like the same degree of thoroughness which can be expected when federal officials of the Department of Agriculture prepare for meetings with their provincial counterparts.

The nature of the provincial involvement which the Branch is seeking is also somewhat unusual. In the normal conditional grant arrangement the federal government uses financial inducements to persuade a province to undertake an activity in a different way than it would have in the absence of such federal support, or perhaps to undertake an activity that would not have been undertaken at all without the grant. With only minor exceptions, however, it is not federal Indian policy to alter the nature of provincial programs, but simply to extend their coverage to a hitherto excluded group of people.

A further untypical aspect of federal policy is the unusually high percentage of the costs which the federal government is willing to assume, 100 per cent in community development programs, and a variable share in welfare which, on the basis of the initial federal proposals, based on 1964-65 figures, amounted to 97 per cent in the highest instance and 82 per cent in the lowest instance. As a result of provincial pressure and objections modifications have since been made in the federal formula which have the effect of producing marginal increases in the federal share. These statistics indicate the continuing practical necessity for the major assumption of financial responsibility for the Indian people to be borne by the federal government. This reflects the historic federal involvement with Indians, and the fact that for programs of an ameliorative or rehabilitative nature Indian needs are disproportionately great. In contemporary parlance Indians in terms of welfare constitute a multi-problem segment of the community.

On the average, according to Branch statistics, approximately 36 per cent of the Indian population in Canada need relief each year compared to about 3½ per cent of the non-Indians. Indian mortality rates are high, and their health standards are low. Their educational attainments are significantly behind those of non-Indians. For the more serious indictable offences the Federal Bureau of Statistics reports that five times more persons of Indian origin, on a per capita basis, go to penitentiary than do non-Indians. In brief, there is depressing and convincing statistical verification over a broad range of indices that Indians constitute a seriously disadvantaged segment of the Canadian population.

At its lowest level the policy consequences of this situation call for the intelligent and concerted use of the relevant apparatus of the modern state, both federal and provincial, if a major breakthrough for this rapidly growing minority is to be achieved. In a unitary state the allocation of governmental responsibility for ameliorating these conditions would be clear. In a federal system a response of the appropriate magnitude and encompassing all relevant areas requires joint and coordinated action by both levels of government. The historic evolution of Indian policy in this country has been such that the dominant financial responsibility for this major effort by both levels of government will have to be borne by the federal government. By and large, the provinces, at this stage in the development of public policy, are unwilling to bear more than a modest share of the costs of adding Indians to the body of provincial citizenry to whom their normal services apply, and they expect additional federal support for any special programs they may develop.

The successful extension of provincial services to Indians requires the cooperation and agreement of three entities--Indians and two levels of government. The fact that there are three separate foci of interest and concern in the process of change greatly complicates the implementation of new policies.

A preliminary observation is that whenever two of the three parties get together there is some likelihood that the third party will become suspicious about the content of the discussions from which it is excluded.

The difficulty of tripartite cooperation in arranging, accepting, and implementing new relationships between Indians and governments also reflects the decisive break with the past which projected change is designed to achieve. While there has been provincial cooperation in fur and game agreements for decades in some provinces, the scale of provincial involvement now being actively pursued constitutes a fundamental qualitative change in the administration of Indian affairs, and in the consequences of being Indian. As noted below, the Indian is being asked to transform his almost exclusive historical orientation to Ottawa into that form of divided civic identity characteristic of federal systems. The changes required of governments in the federal system are far less traumatic for their emotional involvement in the consequences of the new policies is naturally less than for the Indians themselves. With these qualifications it is still true that both levels of government face difficult problems in adjusting their relationships to each other and to Indians.

One of the important factors affecting the evolution of policies towards Indian people is that the problems facing Indians are much more salient to the federal government than to provincial governments. As recently as 1954 a Select Committee of the Ontario Legislature reported:

> The Committee was surprised, as it made its fact-finding tours through the reserves, at its own ignorance of the way in which the Indian lives in this Province--of his relations with the non-Indian, and his problems of adjustment to modern-day living. This ignorance, we feel, is shared by a vast majority of Ontario citizens.[1]

While such provincial ignorance has been partially overcome by the extension of the franchise in all provinces but one, the growth of provincial involvement in the provision of services and the development of more effective and frequent communications with the Indian Affairs Branch than formerly prevailed, it remains true that most provinces are still groping their way to an improved understanding of Indians and to a definition of the role they can most appropriately play. In contrast to the novel and diffused nature of provincial interest, the contemporary concern of the federal government is simply a continuation of a century of intensive contact through the agency of the Indian Affairs Branch, and an amplification of the statutory and treaty responsibilities which Ottawa has assumed.

These differences have the effect in most circumstances of forcing Ottawa to play the initiating role in intergovernmental negotiations. One provincial official appointed to a federal provincial meeting on Indian affairs was reported to have "thought his Premier must have been crazy to nominate him for he knew nothing about Indians or their problems, nor in fact had he clearly understood the nature of the proposed conference." This particular case was extreme, but it serves to illustrate the general proposition that the Indian Affairs Branch frequently encounters difficulty in eliciting positive, informed, rapid responses in intergovernmental consultations and negotiations on Indian affairs.

The provinces, of course, are not monolithic. They present no concerted united front to the federal government. They differ in their willingness to change traditional assumptions that Indians are outside the purview of their concern. Where concern does exist it expresses itself through different channels from province to province. Each province has its own unique position with respect to the weight which should be given to the various provincial services in alleviating the depressed conditions of Indian communities. These differences in provincial outlook complicate the task of the federal government which, with its Canada-wide vision, is constantly searching for uniformity in its relations with the provinces.

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[1] Civil Liberties and Rights of Indians in Ontario, p.7.

The federal government, acting through the instrumentality of the Indian Affairs Branch, is committed in principle to the maximum extension of provincial services compatible with Indian wishes and the possibility of obtaining provincial compliance on acceptable terms. Within this general policy, however, there have been, and are, differences of emphasis with respect to the priorities attached to particular functional areas of existing or potential involvement of the provinces. Over time the federal interest has shifted from the pursuit of collaborative arrangements concerning wildlife resources, from the mid thirties to about 1950, to education which was the dominant area of concern in the fifties, to welfare and community development in more recent years. Areas of emerging importance are local government and economic development.

It is not possible to categorically determine why a particular functional area acquired temporary priority in terms of the attention lavished upon it and the vigour with which provincial cooperation was sought. The successive dominance of wildlife resources and then education were undoubtedly related to changing assumptions about the roles which Indians could be expected to play in the modern economy. Underlying the various reasons which can be given for the successive stages in the development of Branch policy to extend provincial services to Indians there has been an easily overlooked factor of the nature of the personnel at its disposal. The heavy attention paid to education in the fifties was fostered by the professionalization of that area of Branch activity. The pursuit of welfare agreements commenced with the introduction of social workers in the fifties, and was given a dramatic push as a consequence of staff changes in the last few years. Conversely, the weakness of Branch policy in extending provincial services in the area of local government has been closely related to its lack of professional competence in that area. The Branch lacks local government specialists, and as a byproduct has few connections of a personal or professional nature with provincial departments of municipal affairs, or the various local government associations which exist.

The move from one stage to the next has not meant that the activities of the previous stage have been dropped, but simply that they have become part of habitual Branch activity in contrast to newer concerns which are still experimental and innovative. This rough outline is, however, deceptively oversimplified. Large and complicated government organizations contain within themselves divergent attitudes to the pace and direction of change which continue to exist beneath the smooth progression of policy statements. There are inevitable differences of opinion between field and headquarters, between individuals endowed with varying kinds of expertise, differing historical experiences, and dissimilar administrative vantage points. These internal differences constantly shift and collide in the formation and reaction to new policy, and they undergo alteration in response to changes of personnel, especially in response to the introduction of new professionals who constitute themselves potent forces for change.

The interaction of governments in the federal system is thus not really contact between abstractions called governments, or departments, or branches. It is an interaction between dynamic and shifting clusters of individuals, belonging to each level of government, individuals who in part become participants in a particular departmental tradition and perspective whilst simultaneously altering that tradition with their own contributions.

An analysis of intergovernmental relations thus must pay attention to the traditions which impart stability and the factors which encourage change and innovation. For the moment we wish to dwell briefly on certain aspects of the past which possess contemporary significance because of the part they have played in forming the perspectives of the present generation of officials and politicians. History is important because it helps explain the attitude of governments to each other, and their attitudes to the responsibilities for Indians they feel they can properly be asked to assume. No particular purpose would be served by detailed documentation of the attitudes to the "other" government which are ultimately founded on the inadequate historical record of each government in dealing with Indians, or, in the case of the Prairie provinces, with the Metis. In general, there is a tendency and a temptation for provincial officials, elected and appointed, to stress the ineptness of the policies of the federal government in the past, the allegedly low calibre of its former administrative staff, and the "regrettable" continuation of the reserve system. It is an important, although receding, social fact that the public image of the Indian Affairs Branch has not been particularly elevated.

The progressive nature of contemporary Branch policies, and the increasing increments of skill and enthusiasm with which they are being pursued and implemented have not yet completely vanquished the poor image possessed by the Branch. This image constitutes a standing temptation for provincial cynicism concerning the motivations of the federal government in its attempts to increase provincial involvement.

From the federal side, it is equally possible to point an accusing finger at the provinces with the simple assertion that their almost studied indifference to Indians in the past constitutes a basic explanation for the impossible nature of the task which Ottawa, by necessity, has had to handle alone. In the Prairie provinces the depressed socio-economic conditions of the Metis who have always been full provincial citizens in a legal sense constitute standing invitations for rejoinders when federal Indian policy is roundly condemned.

The possibilities of the above latent attitudes leading to intergovernmental recriminations, followed by tension, with its resultant disservice to the Indian people are obvious. Responsible officials of both jurisdictions recognize these dangers and we can only underline the importance for intergovernmental collaboration of the self-restraint and maturity which such recognition entails.

No less important for the conduct of intergovernmental relations than possible outbreaks of intergovernmental vituperation is the deep-seated legacy of historical assumptions as to the respective roles of federal and provincial governments in providing services for Indian communities. In an earlier chapter we have argued that the particular historical allocation of responsibilities which developed was not required, on the whole, either by the British North America Act or the treaties. Thus much of the existing position of Indians in relation to federal and provincial governments represents only the continuing impact of a received tradition which was uncritically accepted until the end of World War II. Simply stated, the tradition was that Indians were wards of the Crown, exclusive federal responsibilities, and, as a consequence, beyond the scope of provincial competence or concern. While we are compelled on the basis of our analysis to stress tradition rather than constitutional or treaty requirements as the fundamental explanation for the dominant role which Ottawa assumed, and still does, in service provision for Indians we recognize as a social fact that in some cases provincial officials feel otherwise. One province, for example, has argued on grounds of fundamental constitutional principle that it cannot accept any cost sharing formula in welfare for Indians with reserve residence which requires a provincial financial contribution. In other provinces, the assumption, while less explicit, is widespread that in some vague way Indians and what governments do for them are a federal responsibility.

There are certain inarticulate major premises underlying official thought in members of both jurisdictions which derive from tradition and are supported by half-formed misconceptions of the importance of constitutional and treaty requirements. It still is widely believed that Indians are a marginal provincial responsibility. The feeling exists that a province which includes Indians within its services deserves special accolades for action beyond the call of duty. Thus a Child Welfare official in some provinces may feel that he is doing Indians or the Indian Affairs Branch a favour in extending his expertise to a reserve whereas the same activity among non-Indians will be regarded as simple fulfilment of a duty. When provincial agricultural representatives provide assistance to Indians it is described by the Branch as "assistance...given voluntarily, and...necessarily...limited to the time they could spare from their responsibilities in connection with the farming activities of non-Indians." In his study in Manitoba Jean H. Legasse reported that many field representatives of the provincial Department of Agriculture "are reluctant to visit Indian reserves, being unsure of provincial policies concerning the help that could be given treaty Indians."[1] When a province has staff shortages in the welfare field it is uncritically assumed that Indians should bear the brunt of such staff shortages by undergoing additional waiting periods before they can be admitted to provincial programs of child welfare or social assistance. The question of why Indians who are in special need of such services should be the last to gain access to them is not really asked, for the answer lies simply in tradition.

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[1] The People of Indian Ancestry in Manitoba, (Winnipeg, 1959) Vol. 1, p.101.

The kinds of attitudes which sustain exclusions of this nature are subtle and pervasive. They reflect a century long history of Indian administration. They are held in varying degree by Indians and by the personnel of both governments whose present attitudes reflect memories of historical experiences. One provincial welfare official responding to criticism of the inadequate services provided Indian reserves pointed out that until 1952 the Indian Affairs Branch did not permit provincial welfare staff to go on to reserves. A Branch official informed us that in the early post war years he was told that both provincial staff and members of other federal departments were to be kept off reserves.

We did not set out in this section of the report to investigate the attitudes of Indians to the desirability of either general or specific extensions of provincial services. Several general comments can be made. Among Indians there is a widespread emotional attachment to the treaties, where applicable, and to the reserves as continuing refuges which constitute 'home' should all else fail. This deep seated clinging to the land, the treaties, and to certain privileges contained in the Indian Act may not render the Indians any easier to assist. Neither its existence, however, nor its importance for federal provincial relations can be questioned. For Indians these continuing aspects of the past constitute basic items in self-identity. It is this facet of their importance which explains the generalized suspicion with which Indians evaluate the changes they are asked to confront. On both moral and political grounds it is therefore a fundamental requirement that changes in the relationships of Indians and governments be sanctioned by Indian consent.

It is all too easy to assess the present goals of Indian policy superficially, to assume that what is being sought is an administrative rearrangement to make effective in terms of services the right of the Indian to provincial citizenship which is held to be a part of his contemporary status. In a limited sense this is valid, for it is no longer acceptable for Indians to receive lesser or inferior services than their fellow citizens who lack Indian status. Provincial citizenship, however, involves more than an absence of discrimination in the receipt of provincial public services. Ultimately, it involves subjective changes in identification such that Indians feel themselves to be an integral part of provincial political communities, and as a consequence come to regard as natural or legitimate the performance by provincial governments of public functions which hitherto have not been operative within reserve boundaries.

A consequence of federalism is the existence of a dual citizen allegiance to both central and provincial governments. For historical reasons, Indians have been almost exclusively oriented to Ottawa. They have been living as if they were in a unitary state. The long run goal of present policy is to engender in Indians that duality of subjective civic identity which is a consequence of federalism and which non-Indians possess in varying degrees. The completion of this process will take time. For Indians it will only come about when experience shows them convincingly that provincial governments, no less than the federal government, can be trusted to act wisely and considerately in dealings with them. At the present time it can be safely asserted that the response of most Indians to the extension of provincial services rests on calculations of the perceived advantages and disadvantages of receiving particular services from the provincial governments. There is little, if any, emotional attachment to the provincial governments which provide the services, and only an incipient feeling of membership in the provincial community on behalf of which those governments make authoritative decisions. The change in Indian attitudes from calculations to natural and automatic acceptance will only occur as the result of cumulatively rewarding experience with provincial governments.

The necessity of Indian consent to the extension of provincial services to their reserves has been explicitly recognized by the federal government. The Indian Affairs Branch has become deeply concerned with ensuring that the extension of provincial services does not present Indians with a fait accompli. It is official policy that 'under no circumstances' will services be extended to a particular reserve without the consent of the Indians concerned. In the words of a senior official: "I would consider it to be a serious breach of faith with the Indian people if any provincial services were forced on a Band against its wishes." The official desirability of consultation with Indians and the attainment of their consent on a Band basis is basic federal policy. This policy merits general approval. In the concluding chapter, however, we have felt compelled to raise certain implications of the policy which require more serious consideration than they have received so far.

The process of extending provincial services is to take place in the following stages:

1. Negotiations will be conducted on a bilateral basis between the individual provinces and the federal government, probably on a function by function basis.
2. If tentative agreement regarding the financing and operation of the service is reached with a province the proposal will then be placed before the Regional Indian Advisory Council for its consideration, suggestions and recommendations.
3. The agreement will then be signed with the province.
4. The next step will be to explain it to each individual band in the province and to ascertain whether the band wishes the provincial service extended to it. If it is unacceptable to any band, no extension of that particular service will be made to that band and the service provided by the federal government, where such exists, will continue.

The increasing importance of intergovernmental relations in the conduct of federal Indian policy has led to a greater systematization of the Branch's approach to the extension of provincial services. This has been manifest in the establishment of a small Federal Provincial Relations division in the Branch, the successful convening of a federal-provincial ministerial conference to discuss Indian affairs, and the preparation of flexible formulae for the extension of provincial services in welfare and community development.

At the regional level the most important manifestation of the federal role of the Branch is found in the establishment of federal-provincial coordinating committees. These committees are composed of provincial officials and regional Branch officials. They are chaired by a provincial representative, and they are expected to meet at least three or four times a year. The Indian Affairs Branch places considerable emphasis on these committees which are seen as instrumentalities for the coordination of the existing and projected programs of both governments which affect Indian people. The Branch emphasis on the utility of these committees was highlighted at the 1964 Federal Provincial Conference on Indian Affairs when provincial support for their establishment was secured. Nearly two years have passed since the committees were proposed to the provinces. While this does not constitute sufficient time for a detailed analysis of the committees it is possible to make certain preliminary observations. Hopefully this will prove useful not only to an understanding of the committees themselves but to the broader question of federal-provincial relations.

The most general conclusion about coordinating committees is that their establishment and successful operation are fraught with exceptional difficulty. This partially reflects the different importance attached to the committees by the two governments. In general the committees are much more highly valued by the Branch than by the provinces. In some cases it was difficult for the Branch to get the committee established at all. Once established it is by no means certain that the committees will in fact contribute to the development of fruitful intergovernmental relations. At the lowest level a committee may do no more than provide a formal, regular framework within which federal and provincial officials can meet. If the committees are to become significant instrumentalities for the forging of federal-provincial cooperation they have to be of more than marginal importance to their members. If they are to be of major importance they have to meet frequently and to achieve continuing successes to prevent the dissipation of enthusiasm among their participants. As one provincial official caustically noted: "We meet and meet and meet and nothing ever happens." The committees have to acquire a life and meaning of their own as entities to which their members give some of their loyalty. It is evident that on occasion the reverse has happened, and committee experience has sharpened the identifications of the participants with their respective governments and departments, an effect the reverse of what is desirable. On occasion committee meetings, as described to us, have been electric with tension, providing an arena within which federal and provincial contestants attempt to score points off each other.

A possibility which was suggested to us deserves brief mention. This was that the committees might in fact slow down the development of constructive intergovernmental relations by the inhibiting effect they might have on the freedom of civil servants to deal individually with their counterparts in the other government. The felt necessity of 'going through' the committee may have the effect of creating federal-provincial problem areas which in the absence of the committee could be solved by a telephone call or a business luncheon. On occasion, resort to the committee may be deliberately used as a 'legitimate' method of avoiding decision. To the extent that committees continue to be used as important vehicles for coordination we advocate constant self scrutiny by their participants to ensure that they do not frustrate their stated purpose.

The operation of these committees is markedly affected by the difference in proximity to their respective governments of federal and provincial representatives. Provincial members usually include Deputy Ministers or Division Heads, and in one case a provincial cabinet minister is a member. In all cases it is much easier for provincial members to speak authoritatively, with minimum delay, if such is necessary than it is for federal officials. Federal members are regional civil servants of a national administration centred in Ottawa. They tend to be in the nature of ambassadors whose conduct is dependent on the directives of distant superiors. They do not, therefore, possess the same capacity as provincial committee members to speak authoritatively on a new issue or to obtain quick instructions. Their position is of course further complicated by the fact that the national headquarters to which they owe allegiance and from which policy emanates is often concerned with a nation-wide approach which takes less account of regional idiosyncracies than Branch officials on the spot desire.

The obvious consequence of this difference in proximity to the centres of policy making is that provincial officials, on occasion, become irritated and distrustful of the apparent stalling of local members of the Indian Affairs Branch.

A more subtle consequence is also important. By the very nature of their politically isolated position the regional officials of a federal administration tend to underestimate, and be somewhat disapproving when they are made aware of the political factors which affect policy making. They are thus prone to exaggerate the distance between political and administrative activity. Consequently there is a tendency for their attitudes to provincial officials to be unduly and unrealistically critical of the obvious political context in which provincial officials work.

The committees are also affected by the frequency of personnel change in both jurisdictions. The significance of this may be noted by the fact that in four of the seven regional Indian Affairs Branch Headquarters there was a change in the senior Branch official in the period between the commencement of this study, 1963, and its completion in 1966. To this must be added changes of government in Saskatchewan and Quebec which unsettle committee work by the personnel changes which ensue, as well as the possible policy changes resulting from a new party in power. When these factors are coupled with the normal rotation of government officials to new positions it is evident that these committees spend a great deal of time in constantly recreating themselves into ever renewed working groups of officials who have come to know and trust each other and who feel relaxed in each other's presence.

Finally, of course, the difficulties of these committees are related to the complexity of the tasks they are undertaking. These committees are engaged in an attempt to coordinate proposals and activities not in one functional area alone, as is typically the case with intergovernmental committees, but potentially across the entire spectrum of federal and provincial responsibilities. Frequently their objectives involve other provincial departments not directly represented in the committee. The objectives of intergovernmental collaboration themselves relate to difficult problem areas in Indian communities which would not be easy to solve in the best of circumstances.

We are dubious about the utility of exhortation in altering human conduct, but we are somewhat more hopeful about the possible effectiveness of increased understanding of some of the main factors which seem to frustrate collaboration between governments.

The two major studies of intergovernmental administrative relationships in Canadian federalism are somewhat contradictory in their assessments of the possibility of fruitful collaboration. J. A. Corry's Difficulties of Divided Jurisdiction, published in 1939, came to the pessimistic conclusion that tension, strain and disagreement were inherent in attempts to get continuing cooperative administrative relationships between officials of the two jurisdictions. There were, he argued, "some good reasons for thinking that two bureaucracies so placed tend to be 'rival centres of power' rather than eager cooperators for the fulfilment of a grand national purpose."[1] A more optimistic assessment by D. V. Smiley in Conditional Grants and Canadian Federalism, published in 1964, with the striking experience of successful postwar collaboration between governments as a background, suggested that the growing professionalism of both public services and the tendency for intergovernmental contact to occur between specialists with similar training and outlook created intergovernmental bonds which facilitated cooperation.[2]

As Smiley noted, the most useful bond for the uniting of personnel of the two jurisdictions is a common professional background. This is a specific illustration of the general point that cooperative tendencies are most likely to prevail when the participants in intergovernmental contact share a common perspective on the problems they are trying to solve by their mutual efforts. The established federal provincial coordinating committees are denied the benefits of professional linkage by the diversity of background and interest of their members. The committees typically contain diverse professionals as well as several generalists. While "Indians" constitute a possible focus of unity, this is likely to prove too vague and diffuse, for disagreement usually reflects differences of opinion on what is to be done, rather than on whose behalf.

It is evident that when federal and provincial officials encounter each other, whether in the context of committees or in less structured settings, they do not meet simply as individuals working for a common cause. Each individual relates to his own particular department, and to a different government. He identifies with his department. He looks to it for approval. He may expect to spend much of the remainder of his working life within its confines. He has in short a specific organizational identity, a minimum consequence of which is pride in the organization's capacity which easily translates itself into a form of organizational ethnocentrism. The accusation of 'Empire Builder' frequently levelled at members of the other jurisdiction is witness to the recognition of the disease. Organizational pride and identity are useful for harnessing the enthusiasm of personnel behind those policies which can be carried out without extensive cooperation with outside groups. Where compromise with other governments is required it is necessary for the participants to mute their natural desires to further the interests of their respective governments or departments and to concentrate on the objectives which they cannot attain without each other's assistance.

The successful conduct of intergovernmental relations requires a high degree of sophistication and restraint. When tension or conflict occurs between administrators belonging to the same department or to the same government it is possible to appeal to hierarchical authority for its resolution. However no such hierarchical authority exists between governments. The consequences of disagreement therefore are much more serious and much more care must be taken to avoid the situations which give rise to them.

Where federal provincial coordinating committees provide the only, or the most important contact between officials of the two governments, they are likely to be only modestly successful. While procedures and mechanisms for bringing officials of the two jurisdictions together are obviously necessary, their real importance derives from their capacity to create informal networks of communication and persuasion which operate continuously. The successful committee will become a focus of loyalty and identification for its members, and by so doing will attenuate the pressures to exclusively identify with one's department or government which normally prevail. The successful committee is not merely the meeting point for official spokesmen of departmental superiors but a creative force for change which uses its superior knowledge of the nuances of the local situation and the particular intergovernmental issues at stake to educate its superiors.

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[1] (Ottawa, 1939), p. 9.

[2] Canadian Tax Foundation, (Toronto, 1964).

If the validity of the preceding is accepted it then becomes necessary to recognize that good relations between governments depend on assiduous cultivation, and cannot be confined to the agenda dominated discussions of formal meetings which may be scheduled at infrequent intervals. Where the requisite degree of recognition exists it should be sustained. In the occasional instance where it does not exist it must be fostered and encouraged. A necessary condition for the development of intensive and intimate contacts with provincial officials is proximity. This means that either the regional headquarters of the Branch, or a Branch sub-office must be in the provincial capital where the relevant provincial officials reside. In the Maritime provinces the smallness of the Indian population and the relative accessibility of the provincial capitals to the Branch headquarters at Amherst may negate the necessity for senior Branch officials in Charlottetown, Halifax, and Fredericton. In Saskatchewan, the regional headquarters of the Branch has recently moved from Saskatoon to Regina in order to facilitate contact between Indian Affairs Branch and provincial officials. In British Columbia, where Branch headquarters are located at Vancouver, we recommend that steps be taken to overcome the barriers to easy informal communication with provincial officials which result from distance. Formal contacts between officials of the two governments must be reinforced with the more frequent and informal exchanges by telephone, business luncheons, and quickly arranged meetings.

The essential point of the analysis is not that coordinating committees are useless or even unimportant, but that they are not a panacea. The coordinating committee should be viewed as only the formal expression of continuing contacts between Branch and provincial personnel. The time spent in maintaining contact and building confidence must not be given grudgingly, as occasionally happens, as a rather irrelevant distraction from the pressure of administrative chores. This is an area of substantive importance in its own right.

Perhaps we are asking too much when we compare the performance of coordinating committees against an ideal committee which plays a catalytic role with respect to both governments. This will only happen if the committees acquire a semi-autonomous life of their own as bodies to which individuals give loyalty and with which they identify. As already noted the possibility of this happening is affected by a range of factors which occur outside the committees and over which their members have less than complete control.

At a more modest level of accomplishment the committees can still play a useful role. It is obviously imperative to have some methods of consultation by which views can be officially exchanged and informal soundings made of the other government's likely response to a proposal. Committees provide a useful medium for the transmission of information. Although even here we have noted that information asked by both sides has not always been given. The committees provide a context within which intergovernmental contact can be maintained. Especially at the outset the committees can help to contribute to the formation of a focus of provincial concern for a broad range of needs of the Indian people. The committees have already helped to make both levels of government more outward looking and less introspective in their approaches to the solution of Indian problems. When the members analyze the problems they encounter in seeking intergovernmental agreement the committees can help in the formation of skilled diplomats who operate in the murky areas between governments with full recognition of the sacrifices of departmental aggrandisement which such conduct may require for its success.

In discussing coordinating committees attention is directed to the administrative variables which influence relations between governments. In the last resort, however, civil servants receive instructions from a minister. It is true that in minor matters of administrative tidiness the intervention of politicians may be unnecessary. It is also true that many of the actions of cabinet ministers, the political group with whom we are here concerned, reflect the advice and information they receive from their departmental advisers. Nevertheless, when major policy issues are raised their ultimate resolution takes place at a political level by ministers who weigh a different range of considerations than do civil servants. We have indeed been struck by the involvement of provincial Ministers in Indian matters. In the last few years Ministerial committees dealing with Indians have almost become the norm at the provincial level. The role of governments pertaining to Indians has been discussed at several of the Interprovincial Premiers' Conferences held in the last half decade. In at least three provinces in recent years provincial Premiers have taken a personal interest in the problems of Indian peoples within their boundaries.

The interest and involvement of elected public officials is eminently desirable largely because they supply decisive mobilizing capacities for major policy improvements. On the other hand, this interest is not without its dangers because of the public context in which political activity takes place, allied to the tendency of politicians to make intemperate attacks on the other jurisdiction. In one instance, when federal provincial relations with respect to a particular Indian agreement were experiencing difficulty a provincial Minister launched an attack on the "paternalistic federal administration of Indian Affairs (who) have acted in the past as the lords of the manor - a kind of management group who tell people what to do, and how and when." The effect of this attack was highly unfortunate.

One additional indication of the deleterious impact that political factors can have on intergovernmental relations will suffice. The area in which federal and provincial governments interact in the extension of provincial programs to Indians is a half way house between the exclusive responsibilities of either level of government. An almost inherent byproduct of this ill defined area which overlaps jurisdictional boundaries is that both governments can attempt to evade responsibility when public criticism arises. Equally harmful is the attempt to take exclusive credit for joint endeavours when the public is impressed. To the extent that politicians find it difficult to resist the latter temptation there is a growth of disenchantment on the part of the government whose contributions have been overlooked. The result is a weakening of the will to collaborate. We recommend, therefore, that the question of publicity be carefully considered in all programs to which both governments have contributed either in a financial or an administrative capacity. Deliberate efforts should always be taken to give favourable reference to the role of the other government.

This discussion of intergovernmental relations makes it clear, as noted earlier, that the relations between the federal and provincial governments possess some of the characteristics of relations between nation states, albeit modified by membership in the same political system and the development of habits and mechanisms of intergovernmental cooperation far greater than those which the international system has yet been able to evolve.

A sophisticated analysis of Canadian federalism based on international analogies is beyond the scope of this research. It is useful, however, to point out the most pertinent aspects of the analogy: namely the fact that the government participants are autonomous and not linked in a dependent relationship to each other, and as a consequence the fact that within the framework of intergovernmental discussion and feelers there are concerted attempts by the bargaining participants to see that their terms for an agreement prevail. The language used between governments, and about the 'other' government, reveals the militant attitudes which can develop in such circumstances.

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| Provincial Official: | "Unless the forthcoming draft welfare agreement contains a substantially better deal for the provinces, you can count this province out." |
| Provincial Official: | "If your department persists in taking a negative approach to the whole matter, and is reluctant to agree to our terms, then I feel that the welfare of the Indian child is the responsibility of your department and that you should develop your own child welfare program and hire the necessary qualified staff to provide child welfare services through your local offices." |
| Federal Official: | "If the provinces refuse to agree we'll hire our own social workers, run our own program, and to_____with them." |
| Federal Official: | "It was thought that this stance would exert pressure on the province to commit itself to the program also." |
| Provincial Official: | "It seems unfortunate that such a completely extraneous condition should be imposed when it will have the effect of curtailing a different program on which both our governments agree." |

The bargaining nature of federal-provincial relations is most explicitly revealed when disagreement on issues of principle precludes the obtaining of agreement between the federal government and one or more provinces. One area of disagreement will be briefly examined below as an illustration.

A basic area of disagreement which illustrates the bargaining aspect of federal-provincial relations has concerned the relationship between the extension of provincial welfare programs and the extension of provincial community development programs, where such exist, to reserve Indians. Community development is a program with public and official appeal, in marked contrast to welfare which, especially in its social assistance aspects, ranks low in the priorities of governments. Social assistance is widely and critically viewed as a mere palliative. The Branch is attempting to extricate itself from its welfare role which it has historically assumed, and argues with considerable cogency that this is an area where administrative expertise resides with the provinces. Consequently the Branch asserts that the segregating of Indians for welfare purposes is fundamentally discriminatory as well as resulting in an inferior service. The provinces, while agreeing with the Branch in principle, tend to plead staff shortages as reasons for delay in assuming a responsibility for which they have little heart.

Given these circumstances the Branch has attempted to tie the provision of additional financial support for provincial community development programs operating on Indian reserves to provincial willingness to sign an agreement for the provision of welfare services to Indian reserves. The Branch claims that it is inconsistent for any province to argue that Indians are a 'federal responsibility' in the welfare field but a legitimate cause for provincial concern in the field of community development. The Branch fears that the provinces might stress the application of special development programs to Indians to the detriment of extending their normal programs, especially in welfare. This raises the spectre of the federal government providing Indians with services normally undertaken by the provinces, while the provinces, or some of them, would undertake the exciting development work which "logically" should rest with Ottawa.

The province of Ontario has accepted the federal coupling of welfare and community development and in 1966 formal approval was given by both the federal and provincial government to the extension of provincial services in these two areas to Indians on reserves. Other provinces, however, which have been affected by this federal coupling of two programs which they regard as essentially unrelated have been highly critical of what, from their perspective, is simply a Branch 'power play'. As a result an impasse has developed which has stymied the possibility of reaching agreement. The federal position, incidentally, has had the somewhat paradoxical effect of discriminating against provinces which have displayed sufficient interest and insight to mount community development programs for their people of Indian ancestry. Their special interest has given, under existing federal policy, an additional sanction to the federal government to induce them into welfare agreements, a sanction which is not available against provinces which have not mounted community development programs at all.

In the abstract, of course, there is no 'right' answer which inevitably compels agreement by its impeccable logic. The stand of each government is explicable in terms of the considerations which condition its perspective. It is simply naive to suggest that intergovernmental disagreements are disgraceful in view of the pressing and urgent needs for concerted effort, and that it behooves governments to grow up and come to their senses. It is easy, but not ultimately relevant, to be cynical about the way in which considerations of organizational and governmental self interest influence the outlooks of those who seek intergovernmental consensus, and cannot overcome their disagreements. We live in a world of governments and organizations whose actions will never satisfy the purist who longs for the unity and consensus that a free society can neither create nor impose. The answer to the question of what are the appropriate roles of federal and provincial governments can only be given pragmatically, and that pragmatism must ultimately consider in its range of relevant variables what the respective governments are willing to do.

In evaluating the factors which impede the extension of provincial services to Indians it is tempting to concentrate on secondary reasons, and thus overlook the essential over-riding consideration of the autonomy of the provinces.

Each province has its own set of general priorities by which competing demands on limited funds and limited staff are assessed. In some cases the addition of Indians to the provincial workload in welfare, roads, or agricultural services is simply unattractive, even if full financial compensation is promised. In other cases the provinces agree that they must play an increased role in meeting Indian needs, but disagree with the federal government on the content of that role. Underlying whatever difficulties exist in extending provincial services to Indians there is the elementary consideration that the provinces are constitutionally endowed with an autonomy which by its nature includes the right to determine the kind and extent of the responsibilities they will assume in areas traditionally regarded as outside their orbit of concern.

There are three major consequences of the autonomy of the provinces.

1. The provinces will differ in their responses to federal proposals. Each province approaches the question of extending its services to Indians from a unique perspective. Each province has its own history of relations with Indians, with Indian Affairs Branch officials, and with the federal government. These factors colour its reaction to federal proposals. An arrangement which is satisfactory to one province may be regarded as completely inequitable by another province.

2. Relationships between federal and provincial governments are not hierarchical. Cooperative relations cannot be attained by coercive mechanisms. They must be obtained by methods which respect the integrity of the participants, and lead them into voluntary patterns of cooperation because of a satisfactory exchange of benefits in the relationship. The fact that the agreement of the provinces is always conditional on sufficiently attractive terms in the proposal necessarily determines the kind of objectives that Ottawa can meaningfully pursue. It is necessary for Ottawa to tailor its proposals to provincial sensitivities.

   Federal attempts to obtain provincial agreement take place within a bargaining context of approximate equality between the two levels of government. In some functional areas, such as welfare, the provinces are in the stronger position because the main impetus for the extension of provincial welfare services comes from the federal government. An inevitable accompaniment of a bargaining relationship is the staking out of extreme positions, the leaving of room for retreat to a more defensible position, and the always present possibility of a breakdown in relations with its corollary of tension, hostility and the imputation of improper motives to the other side.

3. Once agreement has been reached detailed supervision of provincial performance with respect to the aided service is exceptionally difficult. In general, the provinces are hostile to rigid controls. Further, it is unlikely that Ottawa will lightly apply the sanctions it does possess because of a continuing commitment to good relations with the provinces, a commitment which may override dissatisfaction with malperformance in a particular area. It is also evident that once a particular provincial service is extended, the possibility of a federal withholding of the grant because of inadequate provincial performance is unlikely. Presumably, the reasons which led to the making of the grant in the first place continue to exist. It is extremely unlikely that the federal government will have any alternative means to implement its policy in the grant aided area, as it will lack personnel and administrative machinery.

The literature of intergovernmental relations has frequently noted that effective federal supervision is hampered, and the possibility of tension and disagreement is increased, by the extent to which objective and agreed upon standards in the federally aided service are impractical. The accuracy of this is attested by the fact that community development activity by the provinces is the area where the Branch has been most concerned with the maintenance of some degree of operational control. It is simultaneously the area where criteria for measuring success are least capable of definition, and where the competence of officials is least easy to assess. Given these factors it is not surprising that it is with respect to provincial programs of community development that tension and distrust have been most pronounced.

Community development is to a considerable extent sui generis in its capacity not to settle down after agreement has been reached into a habitual activity which arouses little concern between agreement periods. In the standard areas of provincial welfare programs and in education federal provincial problems have largely been concerned with obtaining agreement, not in defining the content of the programs themselves. In agreements with Children's Aid Societies, for example, the role of the Branch has simply been to purchase the service, define terms for payment, and conduct a technical audit to determine the amount owing at the end of stated periods. The Branch has made no attempt to influence the nature of the child welfare program, and has presumably contented itself with the reflection that the service is provided by personnel with their own professional ethic and expertise. This is also generally true with respect to joint educational programs. The autonomy of the provinces in the sensitive area of education is typically protected in joint agreements by a clause stating that "Nothing contained in this agreement shall confer on the (Federal) Minister any right of supervision over the curriculum,the administration and teaching personnel, the methods or materials of instruction or management generally of the school . . . ." In these kinds of agreements the possibility of intergovernmental disputes after an agreement has been reached is largely avoided by the deference accorded the existing provincial system of education.

The autonomy of the provinces implies that the incorporation of Indians into the provincial framework of services will not succeed unless sufficient incentives exist so that the relevant provincial decision makers will perceive a net gain in extending such services to Indian communities.

It should be noted that the concept of gains and losses as crude determinants of political decision making does not refer exclusively to financial considerations, although these are of obvious importance. The problem of cost is clearly a fundamental factor in determining the provincial response, and the greater the provincial financial contribution required the slower will be the rate of progress. In addition, however, there are political gains and losses which undoubtedly colour the decisions of politicians who depend on electoral approval for the retention of power. Other things being equal, the extent to which a political price is paid by refusing to extend a particular service will dictate the receptivity of provincial governments to proposals that they extend their services to a minority group traditionally regarded as the responsibility of the federal government.

An important factor therefore which affects the development of provincial policy to Indians is the extent to which there is powerful and continuing external pressure for change. This absence of external pressure has been notable with respect to the field of welfare From the time of the joint brief of the Canadian Association of Social Workers and the Canadian Welfare Council to the 1946-48 Joint Committee to the brief of the Canadian Welfare Council to the 1959-61 Joint Committee no private non-Indian body seriously lobbied for change, the Indian Eskimo Association not having focused much on social services up to that time. This lack of organized pressure has been unfortunate for, if provincial extension of welfare services was clearly felt to be a contribution to improving Indian social conditions and aiding Indian adaptation to White society, strong pressure on both levels of government to complete the necessary administrative and financial arrangements would have been very helpful. In one province, for example, when a favourable change in provincial welfare policy affecting Indians was placed before cabinet and rejected, we were told in explanation by a senior provincial official that "I have never seen an editorial about Indians in a provincial newspaper and no resolution pertaining to Indians ever lands on the Minister's desk. Consequently when the Minister of Welfare went to the cabinet he had no support for a new expenditure of provincial funds and the cabinet didn't see any votes in it." In marked contrast to this, the interest of the provincial government in Ontario is at least in part a reflection of the Toronto metropolitan press which stirs up interest in Indians, the fact that the headquarters of the Indian Eskimo Association is in Toronto, the fact that Indians have had the vote since 1954, and the fact that there has been a strong and continuing interest of at least a sprinkling of provincial M.L.A.'s since the Select Committee Report dealing with Indians of the Legislative Assembly in 1954. In brief, political factors are important in Ontario, and this has had a significantly beneficial effect.

It might be expected that Indians themselves would be interested in working for an extension of provincial services. With rare exceptions this does not seem to be the case. In welfare, for example, a perusal of briefs presented to the Joint Committees by Indian organizations discloses that while they consistently, and quite rightly, argued for equality in income maintenance payments between Indians and other Canadians, they were generally silent about the need for development of services such as child welfare, rehabilitation or family counselling and considerations concerning the appropriate level of government for administration of such services. This is not surprising since it is doubtful whether many disadvantaged non-Indian groups would be capable of articulating such demands.

Elementary political logic and the impressionistic assessments we were able to make lead us to believe that the relative absence of significant electoral cost to the maintenance of discriminatory treatment of Indians has been an important factor in slowing down the pace of extending provincial services to Indians. At the same time it must be noted that the general political climate as it affects Indians, and the existence of pressures to eliminate discriminatory treatment have both improved markedly since World War II.

In addition to the political losses and gains as factors involved in the continuation or erosion of discriminatory patterns of treatment for Indian Canadians there are psychic losses and gains involved in political decisions in this area. The leadership role played by politicians in systems of representative government, and accepted by electorates, implies that the personal world view of the decision maker is an important determinant of the content of his decision. In other words, the extent to which political decision makers possess role definitions which include responsibility for helping Indians will be an important factor in the nature of the decisions they make. Decision makers have not only to live with electorates, they have to live with themselves. Thus the possible mixes of incentives and disincentives which ultimately control the provincial response are many and varied. The usual emphasis on the importance of financial considerations in intergovernmental relations largely reflects the fact that it is the easiest variable to manipulate. Such emphasis, however, is an oversimplification of the range of ultimately relevant considerations.

# CHAPTER XVII

# THE POLITICS OF INDIAN AFFAIRS

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The historical roots of the changing attitude to Indian administration go back to World War II. In Canada as elsewhere the war contributed to an enlarged role for the state in welfare and regulation of the economy. In general, the war, with its striking indication of the obligations of citizens to their national community in times of crises, stimulated the emergence of the reciprocal assumption that the community, acting through its collective instrumentality of government, had corresponding obligations to its citizenry. These changing attitudes to the role of the state coincided with public revelation of the inadequacies of Canadian Indian policy in the 1946-1948 Joint Committee of the Senate and House of Commons. These hearings laid bare neglect and indifference indefensible in the contemporary setting.

The Indian Affairs Branch at the end of the war had primarily a custodial approach to its tasks. It was staffed with few professionals; its financial appropriations were inadequate; many Indian children did not go to school; much of the existing schooling was undertaken by religious orders which provided only half-day teaching for their Indian pupils; the Act governing the administration of Indian affairs had been devised in the previous century and had undergone few amendments; the Act contained a repressive attitude to Indian cultures. At this time provincial governments played almost no part in contributing their services to Indian communities with the exception of fur and game management.

This history of neglect and indifference was closely related to the apolitical context of Indian administration. C. T. Loram observed in 1939 that there was much more discussion of Indian problems in the United States than in Canada. In Canada, he claimed, "the British traditions of reticence, of letting well alone, of hushing up 'scandals', of trusting officials, are stronger, so that there is apparently not so much interest on the part of the public in the so-called Indian question."[1]

In retrospect one can only echo the sentiments of Dr. G. F. Davidson, Deputy Minister of Citizenship and Immigration, who asserted in 1962 that an awakened concern for the needs of the Indians had been "tragically delayed." He continued:

> It is not so very many decades since Canadian governments and the bulk of Canadian people salved their consciences and assuaged their sense of guilt and responsibility--if indeed they had any feeling of guilt and responsibility--by supporting in meagre fashion the work of the churches, church schools and voluntary 'do-good' organizations in the field of Indian affairs.

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[1] C.T. Loram and T.F. McIlwraith, eds., The North American Indian Today, University of Toronto Press, Toronto, 1943, pp.4-5.

> Government, as such, contented itself with the most limited discharge of its bare responsibilities under the treaties contracted with various Indian bands; with the introduction of the rule of law through all parts of the country through the R.C.M.P.; and with a strictly limited range of administrative, health and other services, designed to spend as little public money as possible, --enough perhaps to keep our Indian population from falling back too far, but not enough certainly to assure even the barest minimum of progress or recovery from the pathetic state in which they had been left, as a result of the white man's take-over of the country.[1]

The apolitical context of Indian administration and the general absence of widespread public concern for Indians which had almost become national characteristics were rudely shattered by the post-war hearings of the Senate and the House of Commons on the Indian Act. The hearings played a major role in stimulating parliamentary interest in Indians. Up until that time the estimates of the Indian Affairs Branch often went through the House of Commons without comment or criticism because of the ignorance and lack of interest of most members. Since those post-war hearings, and stimulated by the extension of the franchise to Indians in 1960 and the second set of Senate-Commons hearings in 1959-61, there has been a desirable increase in parliamentary scrutiny of Indian policies.

The growth in parliamentary and public interest in Indian administration has often resulted in unfair criticisms of the Indian Affairs Branch, and therefore has been partially resented by its personnel. Nevertheless, the emergence of a political context to Indian administration has undoubtedly had a most beneficial impact in contributing to the proliferation of progressive policies which have been implemented by the Branch.

Throughout this section we have noted the marked improvement in government treatment of the Indian people. It is of exceptional importance to interpret, in however sketchy a fashion, the factors which have brought this about, for only by so doing is it possible to make meaningful predictions of the future course of government action.

In undertaking this analysis it is necessary to distinguish between two separate if related aspects of political systems. One aspect is simply the diffuse but pervasive values, beliefs and expectations which citizens have concerning what government ought to do, and what is outside the scope of acceptable government action. These generalized assumptions and expectations can be contrasted with active demands on government to do or not to do something. Expectations are usually passive, while demands are active, frequently being pursued by organized groups in the community.

The underlying values and expectations of communities change over time. The laissez-faire belief that he governs best who governs least has been put on the defensive in the past forty years. Governments are now expected to perform important welfare functions, to pursue full employment, economic growth, etc. These general shifts in values are permissive in the sense that government is allowed to undertake a new range of responsibilities, and potentially demanding in the sense that significant discrepancies between government conduct and community expectations encourage the emergence of organized pressure to create an equilibrium between the two.

Since World War II there has been a clear and important shift in community attitudes to an appropriate government role pertaining to the treatment of Indians. The following pages will attempt an explanation of the nature and sources of the change.

An important aspect of the change in values which affects Indians indirectly is the acceptance of a positive state role. The depression and the war permanently altered the public conception of an appropriate state role with respect to welfare and economic matters. Since World War II there has been a growing social conscience, an increased acceptance of social responsibility which has markedly enlarged the scope of the minimum amenities of life to which all members of the community are deemed to be entitled. Concurrent with this evolving set of expectations there has been an enhancement of the administrative capacity of government. The combination of changing attitudes to government and changing governmental capacities has resulted in a significant increase in the scope and sophistication of the performance of federal, provincial, and, to a lesser extent, local governments. As long as non-Indian expectations of the role of government were fairly elementary there was not a striking divergence between the services Indians received from the Indian Affairs Branch, and the services non-Indians received from federal, provincial and local governments. However, with a growing role for these governments an increasing gap between the services provided Indians by the Branch, and the government services provided to other Canadians was inevitable. This gap could only be defended by denying the egalitarianism which inspired the development of government activity, or by denying that such egalitarianism was applicable to Indians. For reasons to be noted below, neither of these courses was possible. In other words, the level of services now deemed appropriate for Indians is basically a spill-over of changed citizen government relationships in White society.

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[1] Dr. G. F. Davidson, speech at I.E.A. Conference, 1962.

It should be noted that the enlarged role of governments in Canadian federalism places the personnel of the Indian Affairs Branch in an anomalous position. As citizens, Branch personnel are recipients of government services which they are unable to provide, unaided, for the Indians for whom they bear a heavy burden of responsibility. The complications and tensions caused by the dual orientation of Indian Affairs Branch personnel as Canadian citizens and administrators of a small minority group help to explain the present aggressiveness of the Branch in attempting to involve other federal agencies as well as provincial and municipal governments in direct service provision for Indians.

The spill-over has also operated in another area. Since the second World War there has been a dramatic change in the relations between the White and non-White peoples of the world. The development of an international interest in dependent peoples which commenced after World War I reached its full fruition after World War II when western imperialism retreated from its positions of control in Africa and Asia. With the liquidation of the great colonial holdings of the European powers the world was no longer a European preserve. The Commonwealth has become a predominatly non-White institution. The general Assembly of the United Nations has a majority of African and Asian members. These changes have increased the salience of race in international affairs, and as a byproduct have done the same for the domestic affairs of multi-racial states.

The successful assertion by the non-White peoples of the world of a growing control over their own affairs has changed the context of race relations between Whites and non-Whites from hierarchical to egalitarian. This shift in the global distribution of power is brought much more forcibly to the attention of elites than non-elites. Political elites in particular are constantly confronted with these new developments, especially in the realm of international relations.

Coincident with these international developments there has been a parallel development of national and international interest in the relations between different racial groups within individual nation states. It is striking, for example, how frequently parallels are drawn between the position of Indians and the struggle of American Negroes for full participant rights in American society, the apartheid policies of the South African government, or the general developmental needs of the emerging nations. The accuracy of these analogies is irrelevant for our purposes. What is relevant is the clue they provide to understanding changes in attitudes to the minority Indian population of Canada. Particular changes in Canadian attitudes are simply local aspects of global developments in race relations which affect the internal politics of all states which possess non-White minorities who have not gained full social, economic, and political equality with their fellow citizens. The interest in alleviating the conditions of Indians and improving their socio-economic status are thus reflections of factors operating on a world scale rather than the results of any specifically Canadian developments. The interdependence of internal and external factors in race relations is noted when public reports of de facto exclusion of Negroes from the franchise in Alabama lead to increased enquiries of the Indian Affairs Branch with respect to Indians and the franchise. The same kind of conceptual linking is explicitly put forward by the Indian Eskimo Association which states that Canadian "help to underdeveloped peoples abroad, commendable as it is, is rendered ridiculous by the fact that so little is being done about the poverty, squalor and ignorance of our own native citizens."[1]

In summary, the evolution of public and governmental concern for Indians is the result of a double spill-over, on the one hand, changed expectations with respect to the role of government in Canada, and, on the other hand, the domestic reaction to the demise of a world in which White skins and the possession of power were tightly correlated.

As a consequence of the preceding, the Indian Affairs Branch is now in politics to stay. In 1961 the Senior Administrative Officer of the Branch, who had been answering enquiries from the public for fourteen years, stated that when he joined the Branch there were very few, if any, general enquiries. "Now we have enquiries daily from school children to organizations, and the interest which has been aroused in citizens of non-Indian status, particularly in the past five years, has been phenomenal."[2]

The manifestations of this new climate of opinion include two major Joint Committee hearings by the Senate and the House of Commons, a major revision of the Indian Act in 1951, the commissioning and publication of two major socio-economic studies of Indians in British Columbia and Manitoba, the development of two influential organizations devoted to Indian interests--the Indian Eskimo Association, and the Indian and Metis Conference of the Community Welfare Planning Council of Greater Winnipeg--the appointment of an Indian, James Gladstone, as a Senator in 1958, the extension of the federal franchise to all Indians in 1960, a serious attempt to establish a national Indian organization--the National Indian Council--and other events too numerous to mention.

It is clear that the underlying values which condition the conduct of administrators and politicians have undergone dramatic changes in the past quarter of a century. This shift in values provides the rationale for a new government role pertaining to Indians, and a battery of arguments for those, whether inside or outside government, who advocate such a role.

The underlying assumption of democratic political systems is that what governments do is a response to what the community demands. The source of government action is located in the demands made on the political system by groups and individuals seeking certain responses. This text book model implies that in democracies the responsiveness of governments is due to the electoral sanctions possessed by the community.

This model is too elementary to provide an adequate explanation of the complicated processes by which the actions of governments are generated and sustained. With respect to Indians two basic assumptions of the model are incorrect: (1) that the political and administrative elite is a passive instrumentality which translates community demands into public policy, and (2) that the main pressures for policy change come from the public, whether viewed as an aggregation of individuals, or as congeries of competing groups. The political context of Indian administration historically has been noteworthy in the extent to which Indians have had little influence on the formation of policy affecting their lives, and in the extent to which government elites, both political and administrative, have been relatively unhindered in the determination of Indian policy.

The most obvious source of demands would have been from the Indians themselves. The exertion of group pressure to gain a better share of the distribution of benefits and burdens over which governments preside is the standard democratic mechanism for inducing new policies. Indians, however, have not been politically effective. The reasons for their ineffectiveness constitute an exhaustive catalogue of barriers to the exercise of influence on government policy. This absence of Indian demands provides a partial explanation of the minimum attention Indians received from governments up until World War II, and of the fact that the subsequent post-war development of government interest was given little impetus by Indians themselves.

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[1] Annual Report, November 21, 1964.

[2] Joint Committee, 1961, p.343. See also ibid., p.328.

The basic reason for the absence of Indian pressure on governments for most of the post-confederation period is simply that they were formally outside the federal and provincial political systems. They lacked the federal franchise until 1960, and with the exception of Nova Scotia, the provincial franchise until the post-World War II period. As a consequence they lacked even that minimum ability to influence the political authorities which comes from being on the voters' roll. Although there was a certain logic involved in Indian political exclusion due to the special system of administration to which they were subject, and the fact that they did not receive a number of the services provided by federal and provincial governments for other citizens, the result was to place them in virtually a colonial relationship to government. As their capacity to make effective demands was severely restricted the best they could hope for was benevolence. For many Indians the combination of political exclusion and a special system of administration came to be psychologically coupled with a lack of identification with the political system of the larger society, and with a tenacious emphasis on their own unique status. The extent of this was dramatically revealed when the extension of the federal and provincial franchise to Indians was met with little popular acclaim, much suspicion, and occasional hostility.

Not only did the absence of the franchise deprive Indians of a basic incentive to political activity, but it meant that when it was extended, Indians and political parties had had very little experience of each other. The extension of the franchise constitutes the beginning, not the end, of a process of providing Indians with the same capacity as Whites to influence the content of public policy. The process requires the concomitant extension and adaptation of the party system to the new environment of reserves, and the assimilation by Indians of patterns of political behaviour and understanding from which they were formerly excluded. Unfortunately, the mechanics of this process and the extent to which it has been completed proved to be beyond the resources and particular interests of this project. We wish, however, to draw this area of research to the attention of social scientists.

As long as Indians were denied the franchise they had virtually no sanctioned methods by which they could influence the basic political decisions which affected the conditions of their existence. Their impotence was furthered by a basic Branch policy which lasted from the early thirties to the early post war years when it was eliminated partly due to the awakened public interest in Indians, particularly the 1946-48 Joint Committee of the Senate and the House of Commons. A Branch directive in 1933 stated that Indian complaints and enquiries had to be routed through the agent, on the grounds that the practice of Indians attempting to deal directly with Headquarters involved an unnecessary waste of time, and interfered with efficiency in the conduct of official business. A number of Indian complaints about this policy--which meant that "If we do not get a square deal from the agent how can we report it if we have no recourse except to the agent himself?"[1]-- were made to the post-war Joint Committee.

In spite of the legal and administrative barriers to Indians influencing government policy there has been a long history of Indian attempts to develop their own organizations to advance their cause on either a local or national basis. We did not make a special study of these organizations--a task of exceptional difficulty on a national scale it might be noted--but we have been made aware of some of the more important factors which have prevented them from acquiring political effectiveness.

The development of powerful regional or national organizations has had to contend with Indian poverty and the geographical dispersal of Indian communities, many of which were, and are, isolated. Language difficulties and adult illiteracy hindered the use of written communications to overcome the barriers of distance. To this as barriers to broadly based political organization must be added the parochial identifications of many Indians who frequently identified themselves with a particular tribe or as adherents of a particular treaty. Throughout most of their period as an administered people Indians have lacked any strong feelings of national identity or any common objectives they could collectively pursue. There were, and are, important differences in the degree of Indian contact with and acceptance of the standards of the surrounding White society.

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[1] Joint Committee, 1947, p.1405, complaint of the Garden River Band. See also the complaints of the Union of Ontario Indians, and the general statement of Professor T. F. McIlwraith, ibid., pp.1302, 1942-43.

Standards of Indian educational achievement have been low, and, until recently, few Indians had opportunities to engage in formal political tasks. The Indian submissions to the 1946-48 Joint Committee are noticeable in the extent to which Indians were, at least on the surface, deferential, humble and shy. In many cases they prefaced their remarks by reminding parliamentarians that they were uneducated, that they spoke and read English poorly, and that in general they lacked the experience to assume a confident demeanour when appearing before M.P.'s and Senators.

Some of these problems and barriers might have been overcome by the emergence of a dynamic charismatic leader with a widespread following. This possibility, which has of course also been hindered by the factors of poverty, geography, etc., is greatly lessened by the fact that there is no goal of political independence for Indians. No independent state can be created to satisfy whatever desires exist for self-rule. Their geographical dispersal precludes the possibility of "statehood" within the federal system. Their small numbers imply that they can never aspire to becoming a political majority in any sphere beyond the municipal level. Thus, regardless of their wishes Indians are destined to having only marginal influence in the political decisions of a society from whose embrace they cannot escape. The simple absence of an exciting goal to political activity has denied Indians the possession of the dynamic incentives to participation in a united political organization which have been available to the indigenous inhabitants of the former empires in Africa and Asia.

Partly as a consequence of the preceding factors there has been a profusion of Indian organizations which have tended to be fragmented and ephemeral, being either called into existence by, or revived by, some particular crisis or opportune occasion such as the Joint Committees in 1946-48, and 1959-61. Indians have failed to develop truly national and/or provincial organizations that could speak with authority on their behalf. As a consequence they have lacked one of the basic political tools by which minorities can overcome governmental indifference, or can help to ensure that governmental concern is meaningful in Indian terms. The nature of Indian organizations has been such that the Indian Affairs Branch and the two post-war Joint Committees of the Senate and the House of Commons have been baffled by the difficulty of determining the following of the spokesmen who have claimed to speak for certain groups. In a number of instances the view presented by one organization before the Joint Committees was subsequently repudiated by a group of Indians for whom the organization claimed to speak.[1]

The comparative ineffectiveness of Indian organizations and the relative lack of an Indian impact on the political system have been unfortunate. Even if their small numbers and geographical dispersal preclude any possibility of acquiring significant autonomous power within or without the Canadian political system, it is still true that the most important single mechanism for improving the socio-economic status of the Indian is government, and favourable and positive government treatment on terms deemed acceptable to Indians is related to the expression of Indian demands which it is politically costly for governments to ignore. Of equal importance as a role which Indian organizations can undertake is the translation of existing government concern into channels of activity which reflect the priorities of Indians rather than those established by politicians and administrators.

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[1] See, for example, Joint Committee, 1947, pp.2050-51; Joint Committee, 1960, pp.569, 612-13; Joint Committee, 1961, p.183.

Advocacy of effective Indian political activity need not be argued solely in terms of the likely material benefits involved. The successful participation of Indians in Canadian society necessarily includes the political sphere in its own right. Politics constitutes one of the most important activities of free societies, exclusion from which whether by formal denial or by the social or other disabilities of the group concerned constitutes an important indicator of low status. Effective political activity can lead to psychic gains in terms of enhanced Indian self-respect, and the respect in which they are held by others.

The extension of the franchise has opened up possibilities of influencing government policy which were formerly denied to Indians. Its extension was not due to aggressive Indian demands for the possession of voting privileges, but rather to the benevolent action of political elites responding to the changed attitude to Indians that developed in the post-war years. It is thus difficult to make categorical statements about the significance of the franchise, for there were, and are, clearly other factors at work leading to a more progressive involvement of governments in Indian affairs independently of the attitudes of Indians themselves.

It should also be noted that even before the franchise was extended a small number of parliamentarians interested themselves in the problems, needs, and aspirations of Indians.[1] Nevertheless the general picture was as described by LaViolette:

> Parliament has been grossly neglectful, admittedly so, in failing to give certain kinds of attention to Indian Affairs. Each year an Annual Report was published; each year the estimates for annual appropriations to support the activities of Indian Affairs went through the House of Commons, certainly without any searching questions, as one can now see from Hansard. Until World War II, enfranchised Canadians and their members of Parliament let Indian Affairs coast along.[2]

The combination of changed public and official values with the extension of the franchise has led to a noticeable increase in parliamentary attention devoted to Indians. All officials with whom the question was discussed, as well as those who have written about it, agree that the franchise at both federal and provincial levels has had a beneficial effect on government policies pertaining to Indians.[3]

The extent to which Indians have used the franchise privileges extended to them is not known, except in general terms. From conversations with knowledgeable informants it appears that the proportion of Indians who vote is about two-thirds that of the non-Indians who vote. It also seems to be the case that the exercise of the federal franchise has been somewhat more widespread where Indians have already had the provincial vote for a number of years. The extension of the franchise is only the beginning of a process of political involvement. It is followed by a necessary transitional period in which Indians and political parties adapt to each other. Given the novelty of voting privileges and the initial suspicion with which they were regarded by many Indians, the actual participation of Indians in the electoral process is remarkably high.

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[1] See F. E. LaViolette, The Struggle for Survival: Indian Cultures and the Protestant Ethic in British Columbia, University of Toronto Press, (Toronto, 1961), pp. 87, 92-3 for the interest of members from British Columbia in the inter-war years. See also Joint Committee, 1947, pp. 893, 1411 for additional examples.

[2] LaViolette, op. cit., p. 166. One member informed the first Joint Committee that "many members whom I have known have just ignored the Indian." Joint Committee, 1947, pp. 1048-49.

[3] See the statement of the Director of Indian Affairs Branch, Colonel Jones, to the Joint Committee, 1960, pp. 403-4; LaViolette, op. cit., pp. 184-85; and Joint Committee, 1959, pp. 151, 154 for the views of Rev. Peter Kelly and R. P. Clifton of the Native Brotherhood of B.C.

Even, however, if maximum use is made of the franchise the Indian impact on federal and provincial political systems will always be marginal. The Indian population is not only small relative to the total population of Canada, but its political impact is further reduced by its youthfulness which leaves a disproportionate percentage of Indians below voting age. The total number of Indians twenty-one years and above, according to figures for December 31, 1964, was only 87,384 out of a population of 210,119.[1] The percentage of Indian population of voting age, 41.6, contrasts unfavourably with the 56.8 per cent of the non-Indian population of voting age. Indian voters as a percentage of total voters amount to only 1.1 per cent. There are a number of federal ridings -- Algoma East, Cochrane, Port Arthur, Churchill, Springfield, Prince Albert, Kamloops, and Skeena -- in which the Indian vote is sizable enough to be courted. Nevertheless, the importance of the franchise probably resides as much in its contribution to the recognition that Indians are an integral part of provincial and national communities as in the actual leverage it gives to Indians in electoral terms.

The fact that Indians were, and to a considerable extent still are, incapable of making sufficiently powerful demands on the political system to ensure that governments make major efforts to overcome their depressed condition constitutes only a partial explanation for the inadequate demands made on government and the correspondingly feeble response of government until the last decade. It is helpful here to distinguish between internal and external demands. Internal demands refer to those generated from within the administrative and political elite. External demands refer to those made on government by outside groups and interests working through the normal channels of the political system which link voters and policy-makers together.

The concept of internal demands makes it clear that members of the administration or the parties could have constituted themselves into sources of pressure for the progressive improvement of public policy as it affected Indians. The possibility of party members, government or opposition, elected or not, acting as spokesmen for Indians is obvious, and does not violate any of the assumptions of democratic political systems. Such partisan sources of pressure, however, are always prone to be ephemeral unless backed by a powerful and enduring base of electoral support in the community. The very nature, therefore, of a political system in which Indians constitute only a very small minority, even if possessed of the vote, renders it unlikely that political parties by themselves can generate sufficient continuing impetus to sustain progressive and expensive programs of social improvement.

The only source of internal pressure which might have consistently directed attention to the position and needs of Indians was the administering body responsible for looking after their affairs. Objections that this is an inappropriate role for a body of paid public officials will be dealt with later. For the moment we prefer to simply point out the reasons why the Indian Affairs Branch, acting either alone or in collaboration with its Indian clientele, historically failed to interpret its role in such a fashion. The description which follows refers to the situation which prevailed up until the end of the Second World War, which was slowly eroded in the subsequent decade and a half, and which bears little accuracy as a description of the present competent and aggressive leadership of the Branch. Analysis of the historical background is nevertheless important for the tendencies we are describing were dominant for virtually a century, and still have a residual impact on present day personnel, a fact which is scarcely surprising considering the dominant norms widely held to be applicable to all civil servants.

An important explanation for the historical quiescence of the Indian Affairs Branch is found in the philosophy which governed its administration. The Branch has been engaged in a holding operation throughout most of its history. Its emphasis has been on the prevention of abuse rather than on the promotion of sophisticated social change. Outside observers and critics have consistently pointed to the conservatism, caution, and beliefs in slow evolutionary advancement which characterized Branch policies. In 1930, D. C. Scott, Deputy Superintendent General of Indian Affairs, stated that "the first and most important idea underlying the administration of Indian affairs is protection . . . to protect a dependent race in its lands, monies and its contact with the community."[1] The emphasis on protection, the necessity for patience and perseverance, and the tenacity of lifelong habits were referred to again and again in public utterances by spokesmen for the existing form of Indian administration in the inter-war years.

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[1] This excludes 1,270 Indians whose ages were not known.

The main consequence of the dominant philosophy of administration up until World War II which denied the possibility of any rapid change in the conditions of the Indian people was to deny the Indian Affairs Branch the funds and personnel which might have speeded up the process of change. Up until that time Indian administration was a version of colonialism. The Branch was a quasi-colonial government dealing with almost the entire life of a culturally different people who were systematically deprived of opportunities to influence government, a people who were isolated on special pockets of land and who were subject to separate laws. Throughout this period a dominating Branch concern was simply to keep the peace and to prevent unruly clientele reactions to Branch policy.

In essence the Branch simply lacked significant positive objectives for Indians. This absence of a meaningful goal to Indian administration reflected divisions among Indians themselves, doubts about Indian capacity among administrators and the absence of any external pressure to define coherent policy objectives and then obtain the instrumentalities necessary for their attainment. In these circumstances it is simply absurd to query why the Branch did not fight for more support because it aimed at holding on to an unchanging present.

The basic Branch policy of individual enfranchisement was especially revealing with its assumption that the successful adaptation of an individual Indian to the non-Indian society should be accompanied by a loss of Indian status and a departure from reserve life. The implications of this were, that with certain minor exceptions, one could only acquire the political influence of voting by giving up Indian status. The corollary of this was that those most concerned with Indian status and its consequences, namely those who possessed that status, were deprived of the opportunity to exercise open political influence on its shortcomings and drawbacks. Like most other inter-war colonial rulers the Branch erected its own mechanisms and theories to justify the isolation of its charges from the decision-making process. A statement by the Minister, T. A. Crerar, in the late thirties is a succinct summary: "It was thought their reserves would become training schools in which they could learn to adapt themselves to modern conditions, and from which they would graduate as full citizens as soon as they were qualified."[2] In these circumstances Indians were freely and openly referred to as wards of the federal government by Indian administrators. In recent years the Branch has strenuously refuted the idea that Indians are wards. The concept is now possessed of unfavourable connotations, and complicates the process of extending provincial services because of its assumption of exclusive federal responsibility for Indians. The wardship concept was, however, standard before the Second World War. Its contemporary disutility is a product of new policies which stress that the Indian is a citizen with certain special privileges, and which are hostile to authoritarian relationships between officials and Indians.

Branch philosophy as an impediment to performing the role of aggressive administrative spokesmen in the ranks of government for Indians was supplemented by two other basic factors--the relations of Indians to the Branch, and certain special facets of its administrative identity and nature.

One basic method which can be used by a government department is to cultivate a cooperative relationship with its clientele so that the administrative Branch of government and the outside interests affected by its policies can pool their strength to advance the values which they share in common. For a number of reasons the development of this type of cooperative relationship between the Branch and its Indian clientele was especially difficult. For this kind of collaboration to have been effective in gaining more equitable treatment for Indians their organization on a nationwide scale would have been desirable. The already noted difficulties which Indian organizations faced constituted a basic barrier in this respect. Although Indians have always possessed one potential asset denied to other groups of disadvantaged poor people, namely a latent sense of identity, they have not been successful in exploiting this latent base for political purposes. An added difficulty was that Branch policy stressed building from the bottom up, that is, stressing Indian participation at the grass roots level of decision-making as a first step in Indian political development. This approach inevitably emphasized parochialism on either a band or an agency basis, bypassed those Indians who had left the reserves and had the experience to play mediating roles, and distracted attention away from Indian organizations interested in a broader than agency basis of orientation.

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[1] Radio Address, 1930

[2] "Canada and Her Indian Wards," The Indians Speak to Canada, King's Printer, (Ottawa, 1939), p.37.

The possibility of a constructive Branch clientele relationship was further hampered by the deep suspicion in which the Branch was held by many Indians, and their feelings of hostility towards it. The immediate post-war situation was graphically described by a senior Branch official in addressing a Conference of Indian agents.

> The biggest problem confronting the Indians in Canada is discovered in the lack of confidence on the part of the Indians in the Department, and in the intentions and sincerity of Departmental officials. If there is an Indian anywhere who speaks words of appreciation about the things we are attempting to do for him, and who displays enthusiasm when referring to the Department and its officials, well, I have never met him. This mistrust and suspicion on the part of the Indian population is, to me, appalling, shocking and frankly, discouraging.[1]

Further indications of the failure of a constructive Branch clientele relationship to emerge are found in the widespread misunderstanding and ignorance of the Indian Act among Indians. References to Indian confusion were frequently referred to before the 1959-1961 Joint Committee[2] and were noted by several of the researchers in this project who spent time in Indian communities. The low level of Indian information which this reveals illustrates the gulf between Indians and the Branch, and thus the difficulties in the way of successful joint cooperation.

A final factor in the failure of the Branch to constitute itself into a powerful intragovernmental spokesman for its clientele was its idiosyncratic nature in the federal civil service. For all practical purposes the Branch, until recently, was a miniature government, rather than an ordinary civil service branch. Unlike other civil service departments it did not deal with White Canadians who possessed the vote, were part of the general community, and possessed the same cultural values as the administrators. Partly for this reason the Branch was able to develop in a unique way unaffected by some of the constraints which moulded the behaviour of other Branches of government which dealt with full citizens. The Branch was, and had a widespread reputation for being, a particularly authoritarian organization in a double sense. Within the organization itself the Branch was characterized by a concentration of decision-making at the top. In the field many of the "old line" agents in the past were authoritarian in their relations with Indians.

Possibly because of the unique aspects of its task the Branch has been possessed of a particularly inward looking orientation. This was reinforced by a grass roots pattern of career mobility within the Branch which strengthened introspective tendencies. As a consequence there evolved a mystique of Indian administration which laid great stress on field experience as a basis for knowing the Indian; by extension this implied that Branch personnel who possessed this experience were in touch with "mysteries" which outsiders could not comprehend. Since outsiders had not shared this special experience of administrative contact which was the basis for understanding Indians, and since Indians were excluded by virtue of their dependent status, the Branch presumably saw little need or justification for seeking external allies. The result was an inward looking parochialism, a partly self-chosen isolation from the overt political system of voters and politicians and the internal political system of the bureaucracy with its competitive struggle for funds and personnel. As a consequence the Branch failed to carve out for itself that minimum position of power and influence in the federal government which was a prerequisite for the successful implementation of a progressive Indian policy.

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[1] The attempt to overcome Indian feelings of distrust and suspicion is partially behind the proposed establishment of an Indian Claims Commission.

[2] See, for example, Joint Committee, 1960, pp. 15-23, 134, 347, 777, 993-94, 1025.

As noted above this unfortunate interpretation of its civil service role commenced to change after World War II, and there is now general recognition of the need to play a positive role. Indeed, the history of the past few years indicates that the Branch has already gone a very long way in transforming itself into an aggressive body of public servants no longer willing to see Indians overlooked in the formation of public policy and the expenditure of public funds. Nevertheless there are still certain residual legacies of its previous orientation which complicate the complete assumption of its new and essential role. Some senior officials are still too prone to treat influential outside organizations which interest themselves in Indians on a spasmodic or permanent basis as well meaning do-gooders who are fundamentally ignorant of the complexities of Indian administration. To the extent that this approach prevails, and we wish to reiterate that it is now only a minority approach, it overlooks the importance of public support for government organizations which wish expanded revenues for their work. Any administrative Branch of government which forgets that the support its activities receive is closely related to the community attitude to its performance and the importance of its function will ultimately lose ground when the intragovernmental distribution of scarce resources takes place.

**Analysis of the political context of Indian administration reveals that only since World War II have concerted and diligent attempts been made by administrators to compensate by their own efforts for the weak political position of Indians. For impoverished groups this developing pattern of administrative conduct is of exceptional importance for governments possess the most efficacious instruments that are available to raise their social and economic position.**

**Given these facts the Indian Affairs Branch should display positive attitudes to private groups, Indian or non-Indian, which concern themselves with Indian problems.**

**In a number of cases the activities of the Branch in fostering public attitudes favourable to the acceptance of Indians as equals, and in stimulating community concern for Indian needs, have been supplemented effectively by the Citizenship Branch through its Liaison Officers. Since these officers act in the capacity of consultants and program advisers to many community organizations and agencies they are well suited for such tasks. Wherever possible the cooperative working relations between the Indian Affairs Branch and Citizenship should be strengthened. Members of each Branch should be continually aware of the possibilities of furthering the advancement of Indians by collaboration in public relations, and in the stimulation of community concern.**

The emphasis of the preceding pages has been on the unavoidable political factors which have affected the evolution of Indian administration. Given these factors the necessity for mustering and asserting official and community support behind government programs of an ameliorating nature has been stressed. There is, however, more to the making of public policy than the simple calculation of the votes and pressures behind alternative proposals. The influence of a Branch of government comes not only from the votes that its policies can affect, but also from the logic, cogency, and impressiveness of the arguments it makes to its elected superiors. This aspect of the bureaucratic role has been so concisely expressed by Fritz Morstein Marx that we can do no better than present his arguments.

> In the unrestrained interaction of political forces the strongest pressure would usually win out. But in a technological civilization as complex and sensitive as ours, a crude test of political

> strength is not a satisfactory source of public policy. A moderating influence is needed, which gains its persuasiveness from the knowledge of pertinent facts. Hence the existence of a screening operation, singling out for proper attention the pros and cons of competing alternatives of action, is a highly welcome thing. Governed to a considerable degree by professional standards and likely to value a reasoned approach, the modern career service, under favourable conditions, can function as a significant support of rational consideration in politics. . . .
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> When receptive to the thought of his time, the civil servant has challenged the policy-makers by holding forth necessary choices that otherwise might have been delayed dangerously or not been made at all. In this sense a bureaucracy can both sharpen the sensitivity of government toward issues that must be met and supply a safety valve by putting matters on the national agenda that otherwise might develop explosive power.[1]

The previous section implicitly assumed that only the national political system was of concern to Indians. Two decades ago this was a reasonable assumption. However with the increasing involvement of the provinces in service provision for Indians, the existence of pressures to extend that involvement, and the availability of the franchise to Indians in all but one province, this is no longer the case. In the past Indians have had an especially strong relationship with the federal government, and a weak and tenuous link with the provincial governments. As Indians move into the provincial framework of administration and services in education, welfare, community development, selected aspects of local government, and resource exploitation the importance of provincial policy decisions becomes increasingly germane to the terms of their existence. This development raises the whole question of the nature of the provincial political system, the role which Indians and groups which speak on their behalf can play in that system, and whether or not any special sanctions or safeguards are required as Indians become increasingly subject to the decisions of provincial policy-makers who hitherto have had little experience in dealing with them. These questions, it must be said, share the dubious honour of being simultaneously of exceptional complexity and of exceptional importance. Their importance springs from the fact that one of the most basic tendencies in contemporary Indian administration--the relinquishing of the special and exclusive relation Indians have enjoyed with Ottawa--rests on the assumption that normal provincial services are just as appropriate for Indians as for non-Indians, and that provincial governments can be trusted to play an honourable and progressive role with respect to Indians. The complexity of these questions relates simply to the absence of empirical data by means of which various hypotheses could be tested.

In these circumstances the researcher is reduced to employing the limited data available, and making tentative deductions on the basis of certain general features which seem to distinguish provincial political systems from the national political system. Regrettably we cannot wait until all the facts are in before arriving at conclusions, because at that stage the involvement of provincial governments with Indians would have proceeded to such an extent that a reversal of the policy would be unthinkable. Further, the desirability of provincial involvement has to be balanced against the alternatives. The logical alternative of the federal government attempting to duplicate provincial services in areas of provincial expertise and/or constitutional supremacy is out of the question. It is indeed the impossibility of such a solution which has led to the present policy of extending provincial services. It is also impossible to suggest that Indians should continue to receive inferior and second rate services from Ottawa, or in some cases almost no services at all as in child welfare, simply because of seven words, "Indians and Lands Reserved for the Indians," placed in the British North America Act a century ago. In such circumstances it is necessary to act on the basis of limited information, but to do so on an experimental basis so that difficulties and shortcomings can be ironed out as they arise.

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[1] *The Administrative State*, University of Chicago Press, (Chicago, 1957), pp. 25, 42.

Historically the focus of public interest in Indians has been directed to Ottawa. The most obvious reason for this is the constitutional allocation of "Indians and Lands Reserved for the Indians" to the federal government, the passage of an Indian Act on the basis of that assignment of legislative authority, the emergence of a federal civil service body to administer its provisions, and the long tradition that Indians were a federal responsibility and by that fact outside the area of concern to which the provinces were expected to address themselves. In these circumstances it was only natural that demands for alleviation of Indian conditions should be initially channelled to the federal government. Two major post-war investigations of Indian affairs by the Senate and the House of Commons, plus parliamentary responsibility for voting the growing funds required for Indian administration constitute additional factors in emphasizing the political importance of the federal government in matters affecting Indians. All of these factors are further enhanced by the existence of a Branch of the federal civil service which is making increasing demands on the federal government for consideration of the needs of Indians.

In contrast to the century long federal involvement in Indian administration is the fact that the provinces have only commenced to play an important role in service provision for Indians in the past fifteen years. There are certain obvious advantages with respect to innovation, creativity, and flexibility which are implicit in having a growing level of responsibilities for Indians undertaken by governments which have not built up a tradition of viewing Indians from the perspective of long established policies. On the other hand, the very flexibility which the provinces possess means that their responses to assuming new responsibilities can be highly idiosyncratic, and characterized by uncertainty. There are as yet no powerful or large provincial government agencies mainly concerned with Indians, and there are no provincial counterparts of the federal Indian Act to direct the concern of provincial cabinets and legislators to the specific needs of Indians. Thus a virtually inherent aspect of growing provincial involvement at this early stage of its development is a high degree of unpredictability as to its future orientation. In most of the provinces a handful of men can determine the emphasis, range, and durability of provincial involvement. This is in marked contrast to the federal scene where an established Branch of government with an organizational history extending back for nearly a century plays a continuing role in Indian administration. Here, too, there is change and flexibility but it occurs within the context of a developing tradition which sets limits to the possibility of sudden policy reversals.

The people and governments of the prairie provinces have long had sizable populations of Indian ancestry, the Metis, who in a legal sense are ordinary provincial citizens. On the whole, the treatment of the Metis by the governments of the three prairie provinces has left much to be desired. Now, however, the historical pattern of indifference and neglect is undergoing rapid change under the impact of the same general forces which have invigorated federal policy towards Indians since the Second World War. In noting the pressures and forces which play on provincial governments we are led to the belief that historical analogies of past Metis treatment with future treatment of Indians and Metis are false. Some of the reasons for this will become apparent in the discussion of the factors which are leading the provincial governments to increasingly interest themselves in their citizens of Indian status. For the moment, the generalization that the world of the sixties is a different world from that of the inter-war years will suffice. The essential importance of past provincial neglect of the Metis resides less in its capacity to predict future provincial conduct than its relevance as an explanation for the suspicion with which some Indians on the prairies are prone to regard provincial governments.

A number of factors encourage the belief that, even although the nature of provincial involvement differs from province to province, and in spite of the fact that the extension of particular provincial services is often delayed for a number of plausible reasons, the progressive incorporation of Indians into the provincial framework of law and services will continue at an accelerated pace. Accompanying this process will be an increasing acceptance by Indians and both levels of government of the naturalness of a situation which two decades ago seemed only a distant possibility. The relevant factors encouraging this development are discussed in the following paragraphs.

The changing nature of the Indian "fact" in Canadian society inevitably impels the provinces in the direction of greater involvement. In an earlier chapter it was argued that the constitutional and legal responsibility of the federal government for Indians was in no sense total. Further, the administrative apparatus of the federal government never has been, is not now, and never could be so flexible as to provide all services to Indians in all situations in which they may be found. In general, the federal government is only willing to assume responsibilities for Indians who live on reserves or Crown land, or who have not met residence requirements under provincial legislation for the receipt of particular provincial services. Indians are completely free to move from reserves to the cities and towns of the provinces as they wish. Given the demographic pressures on Indian reserves, the decline of traditional means of livelihood, the rising standards of educational achievement among Indians, the increasing resort to joint education with White pupils in common educational facilities, and the overcoming of some of the jurisdictional disputes which have hitherto acted as barriers to off-reserve mobility, there will be a continuing movement of Indians to the towns and cities. The consequence of this movement is to make the problem of facilitating the successful adaptation of Indians to the major requirements of non-Indian society far more visible to provincial and municipal governments than it has hitherto been. Off reserve movement has the effect of shifting Indians from federal to provincial jurisdiction. Where this occurs in frontier communities, mainly in the northern portions of the provinces, problems of employment, health, housing, nutrition, education, child welfare and law enforcement are created that are beyond the capacities of local governments to handle. These communities then apply pressure on the provincial government to 'do something'. In northern Ontario, where there has been a decided off reserve movement in recent years, provincial officials have become concerned with the disruption of community life in such places as Red Lake, Moosonee, Kenora, Batchewana, and Hornepayne. Provincial officials described the situation at Red Lake a few years ago as 'almost a state of chaos'.

Thus, the rapid rate of Indian population growth, and the fact that Indian reserves are economically limited in their capacities to support viable communities inevitably increases mobility out of the reserves and forces the provinces to acceptance of the view that a hands-off approach is ultimately self-defeating. Even in the absence of significant off reserve movement problems are created for provincial governments. The health of surrounding communities and reserves is bound up together. More generally, the trend to regional planning becomes almost self-contradictory if reserves are excluded from the operation of plans in the areas where they are situated. The inexorable pressure of fact thus denies the provinces any real choice in the matter of deciding whether or not they will contribute to the solution of difficult problems of social adjustment which Indians and their non-Indian neighbours will jointly encounter in both off reserve and reserve environments.

A factor of importance in Quebec and the four western provinces is that the provincial governments of these provinces are all concerned in major programs of northern development which will increasingly bring provincial officials and White settlements into the midst of areas in which Indian populations have had the least contact with White society and exist by traditional economic pursuits. These developments provide opportunities to offer the more adaptable Indians the benefits of a wage economy. These opportunities are too important to miss, for if Indians are not included in the initial stages in a planned way the result will either be freezing them out with southern labour imported at high cost or the development of shack and shanty towns which engender racial tensions in frontier communities.

An additional factor is highly relevant in justifying the assumption that an irreversible process of provincial involvement has commenced. While it would be premature to suggest that the concept of the Indian as a provincial citizen has caught the imagination of provincial policy-makers to the extent that they will vie with each other in attempting to make it wholly meaningful in administrative and service terms, it is true that provincial involvement has already acquired a certain snowballing effect in at least three separate ways. A special situation exists in the Prairie provinces where Indians and Metis increasingly compare the respective treatment they receive from federal and provincial governments. This results in demands from the least favoured group for improvements in the pattern of services it receives. The same comparisons are implicitly and explicitly made by officials of both jurisdictions with a resultant development of administrative pressure to reduce discrepancies. A second factor is that developments in one province tend to have a demonstration effect leading to similar developments in other provinces. The provincial extension of the franchise is a noteworthy example of the fact that the response of one government in removing restrictions has an important effect in encouraging other governments to do likewise. The British Columbia extension of the franchise in 1949 was noted and discussed in official circles in Ontario before that province decided to do likewise in 1954. It is also clear that the extension of the federal franchise in 1960 was partly related to the increasing anomaly of federal exclusion when 60% of Indians had the provincial vote. The effect of interprovincial comparisons is also noteworthy in community development programs, especially in the Prairie provinces. In Ontario, when the Leader of the Opposition was attempting to encourage more governmental interest in Indians he spoke favourably of the Manitoba Community Development Program, and sarcastically suggested to the government: "To you this is something like talking of astronauts. It is away up in the moon or something."[1]

The actual mechanisms by which these interrelated responses in the federal system intertwine and interact with each other are impossible to describe in detail. In some cases the similarities in the responses of governments simply reflect similarities in the climate of opinion to which they respond. In other instances interaction among elites possessed of policy-making capacities helps to create a consensus about what should be done. In more general terms, it is evident that in an interdependent political system there are underlying political factors at work which tend to reduce the likelihood of major differences in the scope and orientation of government programs proving durable.

The third aspect of this snowballing effect occurs within each province as developments in one field eventually encounter the interrelatedness of Indian needs, and by so doing generate logical arguments for the extension of the process. The obvious example here is the franchise which creates a political concern for Indians which tends to increase the general pressure for provincial involvement in ever new areas.

The intra-provincial snowballing effect does not, of course, proceed as a consequence of abstract arguments as to its logical desirability but rather as a consequence of the evolution of administrative and political foci of concern for Indians. From this perspective the extension of any particular service to Indians is important not only in the light of its contribution to the improvement in the quality of the service received by Indians, nor even in its contribution to the progressive elimination of discriminatory treatment, but in terms of its contribution to the creation of a sustained and more knowledgeable understanding at the government level of the needs of Indians. It is patently clear that there is developing at influential levels of provincial governments groups of individuals who on particular occasions constitute themselves as spokesmen for Indians. The extension of each provincial service thus creates allies who can become important factors in further extensions. In the Province of Alberta the driving power of one provincial cabinet minister with a strong civil rights interest was an important factor in precipitating a growing cabinet concern for people of Indian ancestry. This cabinet concern manifested itself in the adoption of a community development program which has attracted to the provincial public service a small number of highly competent personnel who institutionalize provincial interest, give it a prospect of durability, and constitute centres of influence likely to lead to its expansion into other areas of provincial administration. This particular instance is simply an example of the general principle of cumulative involvement which, to a greater or lesser degree, is a likely consequence of increased contact between provincial officials and Indians. This kind of development is particularly significant for few things are more important for an underprivileged minority heavily dependent on government for its advancement than the existence of a sympathetic concern among administrators and politicians with the capacity to influence policy.

The manifestations of provincial involvement are manifold and preclude exhaustive citation. Of basic importance has been the extension of the suffrage which at the end of World War II, with some exceptions for veterans, was denied in all provinces but Nova Scotia. Commencing with British Columbia in 1949 the other provinces quickly followed in the next decade and a half until now denial of the suffrage to Indians exists only in Quebec. Possession of equal voting rights is important not only in terms of an increased capacity to influence governments thus granted to Indians, but for its symbolic indication of equality in democratic political systems. The extension of the franchise does create the somewhat anomalous situation in which Indian voters participate in the selection of representatives who decide on government policies, some of which exclude Indians. Over time it seems likely that the possession of the franchise will be an important factor in reducing whatever differential provincial treatment of Indians and Whites is not desired by the former.

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[1] Ontario Hansard, June 17, 1965, p. 4363.

In particular areas of provincial jurisdiction there has been a dramatic increase in provincial involvement in recent years. In 1964-65 44 per cent of Indian children attending school were enrolled in provincial schools, a marked increase from the insignificant 7 per cent so enrolled in 1949-50. In several provinces, especially Quebec, Ontario, Manitoba, and Saskatchewan, effective arrangements of an informal or formal nature have long existed to develop fur-bearing animals for the benefit of northern Indians. There has, of course, been a striking improvement in the availability of child welfare services to Indians, and it is expected that in the near future Indians will be progressively brought within provincial programs of social assistance. Finally there has been the growth of community development programs, especially in the three prairie provinces and to a lesser extent so far in Ontario and British Columbia, which are specifically designed to stimulate social change in disadvantaged provincial communities, including Indian reserve communities.

In addition to the preceding illustrations of provincial program involvement with Indians there has been a number of idiosyncratic manifestations of provincial interest. In 1950 the provincial government of British Columbia established an Indian Advisory Committee of six members, half of them Indians, and a secretary, with the task of advising the government on "all matters regarding the status and rights of Indians." The Committee publishes annual reports, and holds annual meetings dealing with a variety of topics. In 1963 the Committee was enlarged to nine members plus a director. In 1953 Ontario appointed a Select Committee on Indian Affairs which travelled extensively through the province, and submitted its report, Civil Liberties and Rights of Indians in Ontario, the following year. The Report was impressed with the need for the province to play a greater role vis à vis Indians and recommended extension of the provincial franchise, the making of arrangements to extend the services of Children's Aid Societies to reserves, and greater provincial involvement in improving Indian agricultural practices. Subsequent to this Ontario appointed an Indian advisory committee to the Department of Welfare and a similar committee to the Department of Lands and Forests. In 1956 the Manitoba Legislative Assembly approved the establishment of a provincial research project on "the living conditions of the Indians and Metis. . .with a view to discovering whether their social integration and economic advancement could be facilitated." This was under the direction of Jean Lagasse, and was the first provincial wide research survey undertaken by a provincial government. The most important outcome of this project was the recommendation that Manitoba commence a community development program designed to get Indian and Metis communities on the move. This recommendation was accepted and the program commenced in 1960. Other provinces and the federal government followed the Manitoba initiative in community development to the extent that, like the need for a nuclear reactor in a developing country, it became an almost essential symbol of progressive attitudes to Indian peoples. The Government of Saskatchewan commissioned a three year study "on factors affecting the social and economic development of northern settlements" which was published by the Centre for Community Studies in 1963.[1] The Saskatchewan government also supported a joint research project with the federal government on the relations between the residents of Kamsack and the nearby reserves. A most important manifestation of provincial interest in Saskatchewan occurred in 1965 with the establishment of an Indian and Metis Branch with the express function of raising "the standard of living of the Indian and Metis people to a level closer to that enjoyed by fellow citizens."

In surveying the development of provincial interest and involvement several striking impressions quickly emerge. It is noticeable that on the whole provincial involvement has not been the result of Indian demands. In only a few cases--such as the Native Brotherhood of B.C. and the provincial franchise--have Indian organizations played any kind of forceful role. In fact, the typical situation is that Indians have to be persuaded of the benefits of the provinces playing a larger role in their affairs.

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[1] Helen Buckley, J.E.M. Kew, John B. Hawley, The Indians and Metis of Northern Saskatchewan, Centre for Community Studies, (Saskatoon, 1963).

A second point is that there are marked differences in the extent to which the depressed conditions of Indians are seen to constitute an important political problem. On the whole, there has been much less public and governmental interest in Indians in Quebec and the Maritime provinces than in the rest of Canada. This is partially explained by the smaller size of the Indian populations in these provinces, and in the Maritimes by a standard of living markedly below the national average which makes Indian poverty far less noticeable. In Nova Scotia there has been much more government concern about Negroes than about Indians. In Quebec the major reason for less overt public and government interest is doubtless the dominance of the "Quiet Revolution" as a public issue. It is significant that none of these four provinces has mounted a specific community development program. In all four provinces Indian organizations are weak or non-existent. With the exception of certain frontier towns in Quebec, such as Matagami, there do not seem to be any special problems of urban adjustment arising from the move from reserve to city. There have been no Skid Road scandals involving Indians in the Maritimes. Further, the general level of provincial services is not as qualitatively distinguished from Branch services to the extent that is true elsewhere. Finally, in the Maritimes and Quebec non-Indian pressure groups or lobbies seem virtually non-existent, and there are no spokesmen for Indians in the provincial Legislative Assemblies.

West of Quebec political concern for Indians picks up noticeably. In Ontario the powerful metropolitan press of Toronto has played an important part in stimulating government interest. Toronto is also the headquarters of the Indian Eskimo Association and a disproportionate amount of the activity of that body has been centred in Ontario. In the three prairie provinces the existence of a large Metis population, a group which possesses Indian ancestry but is not endowed with Indian status, has been an important factor in provincial interest. The identifiable members of Metis exist at a socio-economic level differing little from their Indian "brothers." They, too, are poor, socially disorganized, inadequately educated, and only marginally involved in the economy. They are, of course, provincial citizens, in no way legally distinguishable from other citizens. They are, therefore, a direct and undeniable provincial responsibility. Their existence, frequently contiguous to reserves, automatically directs provincial attention to all people of Indian ancestry, whether they possess Indian status or not.

Government interest in Manitoba is stimulated by the largest population of Indian ancestry in the country on a percentage basis, and by the annual Indian and Metis Conference sponsored by the Greater Winnipeg Welfare Planning Council. This Conference, which has now become so large as to be unwieldy, attracts considerable public attention; it is well attended by provincial officials and politicians; it receives widespread publicity; it has adopted a deliberate "hair-shirt" approach to government; and, from all accounts, it wields considerable influence. In Saskatchewan the small government majority, the perceived significance of Indian votes, considerable interest in the Legislative Assembly, and the existence of the strongest Indian organization on the Prairies--The Federation of Saskatchewan Indians--plus the institutionalization of provincial interest in the newly formed Indian and Metis Branch reflect an unusually intense political aspect to the position of Indians and Metis in the provincial society.

It is not easy to disentangle the political context of Indian affairs in British Columbia. Several comments, however, can be made. The press devotes sporadic attention to Indians, in particular to skid road scandals involving Indian women in Vancouver. The Indian population is large, and, in relative terms, has been well organized for decades. At the present time there is an Indian member of the Legislative Assembly. Also, British Columbia led the way, Nova Scotia excepted, in extending franchise privileges to Indians in 1949. Further, an Indian Advisory Board has been in existence since 1950. As a final indication of positive factors one can cite the fact that the movement of Indian children into provincial schools has progressed in numerical terms to a greater extent than in any other province. The paradoxical feature of the British

Columbia situation is that, in spite of the above noted factors, there is no focus of interest in Indians at the Cabinet level, and with only minor exceptions no focus of administrative interest comparable to that found in Ontario and the Prairies.

The very condensed survey of provincial involvement given in the preceding pages has left out one of the main variables influencing the provinces to extend their services to Indians. This is, of course, the Indian Affairs Branch which has assumed the role of negotiator for the inclusion of Indians in provincial programs. It is difficult to distinguish between the relative influence of the Indian Affairs Branch in stimulating provincial concern and involvement, and the normal pressures and demands coming up through the provincial political system.

Our general impression is that the Indian Affairs Branch has played a major role in the context of conferences and committees with provincial officials in helping to focus attention on possible changes in the provincial relationship to Indians. As already noted there are certain aspects of the Indian situation that inevitably create provincial concern. Also provincial officials have been influenced by the changing community values and expectations already discussed. There has also been in some provinces a development of an independent provincial interest. These factors have the combined effect of making the provinces much more favourably disposed to cooperate with the federal government than formerly, and much less likely to assert that the Indian is a "ward" of the federal government, and therefore its exclusive responsibility.

There has been, therefore, a convergence of increased federal attempts to involve the provinces and the development of a more receptive atmosphere in the provinces. The relative significance of these factors shifts from program to program. The influence of the Indian Affairs Branch is marginal with respect to special provincial programs such as community development or the establishment of a special Branch of Indian and Metis Affairs as in Saskatchewan. The community development programs of Manitoba and Alberta were entirely locally generated. On the other hand, the movement of Indian children into the provincial school system has been an objective diligently and successfully pursued by Branch educational officials with local school boards and Indian parents. Without their efforts this particular development would not have taken place to anything like the same degree. While this example of successful extension of provincial services was facilitated by financial arrangements beneficial to the school boards concerned its success was a triumph of hundreds of separate examples of local diplomacy. The influence of Branch officials is also important in matters of administrative detail where a local official can often be persuaded to modify an administrative practice which is proving inconvenient for Indians. On the other hand, where the relevant provincial officials are reluctant to cooperate, as thus far is the case with respect to the on-reserve provision of social assistance, Ontario excepted, the Branch has few weapons capable of changing the provincial response in the short run. In general, when major questions of provincial policies are concerned, the federal government has little capacity to exert a dominating influence on the provincial decision.

Before we conclude our discussion of the political context of Indian affairs it is appropriate to analyze the nature of the provincial political systems that will inevitably play a more important part in the life chances of Indians if present trends and policies continue. This is obviously not an area in which categorical statements can be made with confidence. The provinces differ greatly from each other in size, wealth, administrative sophistication, the political style of the incumbent government, etc. There is a world of difference between Quebec and Ontario, both of which are more impressive in many ways than a number of independent states in the modern world, and on the other hand Prince Edward Island which has a population smaller than many a good sized municipality. A further difficulty is that the contemporary literature of provincial government and politics is, to put it mildly, sparse. For these reasons, and others which could be mentioned, nearly every statement made in the following pages will be subject to qualification which the reader can introduce from his own knowledge and experience.

Probably the single most striking characteristic of provincial political systems is that the conduct of policy-makers is subject to fewer restraints than is the case with the federal government. Provincial legislative assemblies are less influential as checks and controls on political executives than is true in Ottawa. With the partial exception of Ontario and Quebec they meet less frequently and their members, partly for financial reasons, are less likely to regard their tasks as demanding full time attention. The norms of legislative conduct enshrined in the ideal descriptions of the British system of parliamentary government are less likely to be adhered to, especially with respect to treatment of the opposition, than is the case in Ottawa. The trend to free-wheeling executive government is fostered by the exceptionally long tenures of office enjoyed by a number of governing parties, and the fact that the opposition in both absolute and relative terms is often numerically weak.

In the typical case it is also true that the autonomy of top level provincial civil servants and their capacity to act as a restraint on their political superiors are not as great as in Ottawa. To put it differently, it seems evident that the capacity of the provincial cabinet minister to directly intervene and control his civil servants is greater than in Ottawa. Some of the reasons for this simply reflect the fact that the diversity of government tasks is not so pronounced as in the federal field. Provincial ministers operate in smaller geographical areas than their federal counterparts, and their departmental responsibilities tend to be more straightforward and less complex than in the federal government. They encounter much less pressure on their time from legislatures and can thus spend more time on their departmental responsibilities. It is probably also true that in spite of important improvements in administrative ability in the provinces the concept of civil service neutrality is less developed than in Ottawa. In essence, then, provincial administration is much more political than its federal counterpart. Provincial cabinets are not so subject to the restraints of professional career officers as are federal cabinets.

Historically, provincial politics have been much more populist than federal politics. The much greater heterogeneity of the larger society which the federal political system reflects tends to stress the talents of conciliation and mediation at the federal level to a greater extent than the provincial. Politicians in the provincial sphere are closer to the grass roots of public opinion and have, therefore, a lesser opportunity to divorce themselves from intolerant community values.

This may partially explain the fact that the provincial record in the field of civil liberties and treatment of minorities is inferior to that of Ottawa. On the whole, minorities such as people of Japanese and Chinese descent and religious groups like Jehovah's Witnesses, have had more reason to fear their provincial than their federal political leaders. While this may be partially explicable in terms of the different spheres of legislative authority allocated to the two levels of government--particularly provincial authority in the field of property--it is likely that it is also a function of the different norms of political conduct which prevail at the two levels.

One factor much more important at the federal than the provincial level is the pressure of international opinion. While the climate of opinion on race relations and the treatment of minorities which reflects the emergence of Africa and Asia to independence leaps over jurisdictional boundaries it is evident that responsiveness to international opinion and pressures will be more pronounced at the federal level than with provincial governments which lack international status.

In addition, for historical reasons there is a widespread provincial feeling that in any case Indians are a federal responsibility. We frequently encountered the attitude that provincial governments were in some sense doing the federal government and/or Indians a favour if they extended any of their normal services to Indian reserve communities. Even where the provinces are concerned, the assumption that the Indians are not really provincial citizens in the same way as other citizens dilutes the urgency with which they respond. There is always another government to blame. These attitudes that in normal circumstances Indians are outside the orbit of provincial interest are automatically reinforced by the federal policy of buying normal provincial services which it is desired to extend to Indians. The inclusion of Indians thus becomes a result of federal provincial bargaining rather than an automatic result of Indian residence within provincial boundaries and their common citizenship with other Canadians. In a sense it might even be argued that the existence of special arrangements so that Indians are treated by provincial departments in the same way as anybody else merely reinforces the separateness of their identity to provincial policy-makers. This problem is dealt with in more detail elsewhere in this section.

The perception that Indians are not really complete provincial citizens because of their special status and relation to the federal government easily gets transmuted into the argument that if they wish to receive the same government treatment as other provincial citizens they will have to give up their special privileges under treaty or the Indian Act. Provincial officials and politicians display a much more assimilative and less protective philosophy to Indians than does the federal government. There is, for example, a fairly general provincial antipathy to the reserve system. Indians, we were told on several occasions, cannot have it both ways and retain their special privileges while simultaneously obtaining the full benefits of provincial citizenship.

One of the most important differences between federal and provincial political systems is the presence at the federal level of a career administration with an exclusively Indian orientation and the absence of such a body at the provincial level. The most important sanction for good government treatment of the Indian people at the federal level is neither the treaties nor the Indian Act, although these play a part, but the existence of a professional body of Indian specialists who can see to it that the interests of their clientele are continuously considered in the formation of federal policy. As already noted the Indian Affairs Branch was not overly successful throughout most of its history in its pressure group role, although it has increasingly become so in the past decade. In the provincial governments no administrative body of comparable orientation and power exists, although the emerging community development programs in some of the provinces, and the Indian and Metis Branch in Saskatchewan may come to constitute a partial alternative as administrative power centres devoted to furthering Indian interests.

This absence of administrative restraint or focus of administrative pressure in the provinces strikes us as unfortunate. It is not simply a desire to ensure that the interests of Indians are considered at the governmental level which concerns us, but that such consideration be restrained by knowledge, filtered through an informed professional understanding of the difficulties of social change, and the dangers of crash programs based on enthusiasm, funds, and naive assumptions about the simplicity with which dramatic improvements can be achieved.

To the extent that provincial involvement occurs through the regular channels of existing programs in welfare, education, and highways no particular problem is raised. The problem of the source and competence of the advice which guides provincial policy makers assumes major importance (1) when provincial governments are considering the establishment of new programs specifically for Indians or people of Indian ancestry, programs of community development, economic development or stimulated migration to urban centres, and (2) when basic provincial policy with respect to Indians is in process of formation. In each of these situations there is a high degree of uncertainty about the direction of future policy, or the departmental allocation of new responsibilities. This creates a situation in which individual and departmental jockeying for influence and control is almost inevitable. There is, in short, a temporary void which provides an opportunity for personal and departmental ambitions to advance themselves. In those provinces where this kind of power struggle exists, structural opportunities for its manifestation can be found in interdepartmental committees of provincial civil servants, and in some cases in the federal provincial coordinating committees on Indian affairs.

In part these intraprovincial disputes relate to different philosophies and program approaches. A degree of tension between welfare oriented departments and development oriented departments is frequent. Occasionally, the tension expresses itself in dissension over which provincial department will capture the coveted responsibility of administering a prestigious community development program. Given the frequency with which these situations emerge, they cannot be explained solely by the irrationalities and perversities of the individuals concerned. In all cases these struggles, whatever their idiosyncratic manifestations from province to province, reflect the novelty of provincial interest and the consequent administrative uncertainty generated by impending change, coupled with the inevitable clash of divergent interpretations of the most appropriate content of future policy. These interpretations which reflect basic differences of opinion intertwined with the whole range of organizational factors from which particular administrative perspectives develop and from which administrative self interest comes to be defined will only be resolved as the momentum of provincial involvement picks up and stabilizes itself.

We are still left, however, with the basic question of the adequacy of the advice which guides provincial policy makers as they address themselves to the problems of Indian poverty and anomie. The development of some special focus of interest in Indians at the administrative and cabinet level seems inevitable and desirable. The danger springs from the disproportionate influence in provincial policy making which a small group of individuals will possess, simply because of the absence of alternative sources of advice and information. In the country of the blind, the one-eyed man is king. Whether this is to be deprecated obviously depends on the competence and integrity of the particular one-eyed men involved. All that can be said in a report of this nature is that in some instances the kind of provincial officials who have assumed a predominant role in the formation of provincial Indian policy at various times in the past decade have not impressed us, although in the majority of cases we have no apprehensions on this score.

Canadian Indians are a seriously disadvantaged group, socially, economically, and politically. These disadvantages are interrelated. In general, groups which are impoverished and held in low esteem by the community lack political influence proportionate to their numbers. Any significant breakthrough in this situation of vicious circular causation must come from government. No other institution possesses the capacity to simultaneously affect the broad range of factors relevant to the introduction of major change--education, economic development, welfare, health, housing, communications, etc. As noted elsewhere in this report the nature and size of the Indian problem is such as to allow a generous development program to take place without noticeable strain on the national income and government revenues. The essential limitations on government responsiveness to Indian needs are thus almost exclusively political. The fact that limits are essentially political does not mean, however, that they are unimportant. There are many sources of competition for government revenues. The men who allocate priorities of funds, personnel, and their own limited time among competing possibilities are riding a tiger. No government can address itself to more than a small percentage of the multitudinous problems that press for action, and that could be alleviated or overcome by a greater expenditure of funds, use of personnel, or revising of regulations. The priorities which governments impose on the range of possibilities that confront them do not reflect a "cool" analysis of the "best" deployment of government capacities for action. In the process of priority determination certain group needs and problems inevitably get left by the wayside, not because they are intrinsically, or even relatively, unimportant, but simply because it is politically safe to ignore them. The melancholy indifference of governments to Indians from Confederation until World War II provides eloquent testimony to this fact.

The problem of adequate and effective government responsiveness has two aspects. Public concern for Indians which manifests itself in large-scale programs based on naive assumptions about social change will do little good, and indeed will probably do damage by the inevitable disillusion it brings in its wake. The first prerequisite therefore is the devising of policies which are the best available in the light of existing knowledge. No less unfortunate, however, is a situation in which intelligent understanding of an effective role for government is rendered irrelevant by the failure of governments to manifest this understanding in concrete policies. Historically Canadian Indian administration has been characterized by a protective role to see that Indian rights under treaties were respected, to the protection of Indian land against alienation, and to providing Indians with the enclaves of the reserve system within which they could be partially isolated from the disruptive intruding forces of an aggressive, expansive White society. On the whole, this protective role has been well performed, as comparisons of Canadian and American Indian policy make clear. At the present time there is still scope for the performance of a protective role, but it must be supplemented by a more positive role which will enable Indians to stand on their own feet. This is now almost universally recognized, and post war developments, especially of the past decade, are extremely encouraging with their manifold indications of positive approaches. It is, however, necessary and prudent to enquire as to the durability of a political climate which encourages the continuing introduction of progressive policies. Earlier in this chapter it was argued that the nature of the changing Indian 'fact' in Canadian society inexorably impels the provinces in the direction of greater involvement with Indians. While this is generally true, it must be remembered that the situations to which government policies are addressed are characterized by complex problems incapable of easy solution. In such circumstances the possibility of disenchantment is always present. The interest of political parties and elected officials has an inherent tendency to be erratic and fluctuating over time, and may thus prove to be less durable than the problems themselves. The administrative vigour of the Indian Affairs Branch and the less developed administrative interest of some of the provinces are heavily dependent on particular personalities and both will be affected by the success or failure of the policies to which they give a temporary priority. Given the recency of provincial interest and the complexity of the problems it is not unrealistic to question the durability of any progressive provincial responses, particularly those responses outside the normal programs extended to the entire provincial community. There is an inherent danger that existing provincial incentives, particularly in supplementary areas of activity such as community development may be eroded by failure. The interest of the general public is highly variable and is far more likely to be aroused by a shocking case of child neglect than by the drab unsensational poverty which affects the overwhelming majority of Indian communities.

In these circumstances the obvious question is raised of what can be done to facilitate the likelihood that governments will prove themselves capable of the long hard haul which will be required. The first answer to this question must be that no attempt to ensure the appropriate durability of government concern can be certain of attaining its objectives. What can be done is to reduce the chances of a too easy failure. This requires the effective utilization of existing forces and pressures which affect government policies to Indians, and the creation of supplementary mechanisms to help fill the gap should existing government concern wither away.

An essential aspect of Branch policy must be to take a positive, interested and sympathetic approach to Indian organizations and to various interested groups that constitute themselves spokesmen for Indians. A quarter of a century ago the question of the relations between the Branch and interested non-Indian or mixed organizations was irrelevant for they did not exist. This is no longer the case. The change in community values concerning the position of Indians in Canadian society has led to the emergence of two important organizations and an increasing amount of attention and concern among the innumerable general purpose citizen groups which abound in Canada. Two organizations merit brief special attention because of their size, their durability and their impact on the public.

The Indian Eskimo Association of Canada was formally established in 1960 as an outgrowth of the National Commission on the Indian Canadian which had been set up in 1957 by the Canadian Association for Adult Education. The Association is "a non-sectarian, non-political, independent organization dedicated to the cause of Canada's native people." The Association, which has a small permanent staff, is educational in the broadest sense. It publishes bulletins, conducts research, submits briefs to governments, organizes conferences, promotes adult education projects for Indians, and provides information and consultation services to over eighty organizations among its members. In its brief existence the Association has made an important contribution as a non-governmental focal point for the Indian and Eskimo peoples whose interests it is designed to serve. The Association has recently decided to decentralize its operations with the establishment of provincial branches, a policy change which is eminently desirable in view of the increasing role played by provincial governments in Indian affairs.

The Indian and Metis Conference Committee of the Community Welfare Planning Council of Greater Winnipeg was established in 1954, in response to widespread concern about the plight of Indian and Metis people of Manitoba. That year the committee sponsored the first Indian and Metis Conference. Each year there has been a similar conference, the functions broadly being to focus attention on the needs of the people of Indian origin, to provide Indians and Metis with an opportunity to air their views in public and to suggest ways to resolve their social and economic problems, and to foster understanding between Indians and non-Indians. The conferences have been exceptionally successful in fostering community concern, in providing a forum for informed discussion, and in stimulating the provincial government to action. The annual conference, with over 500 persons in attendance, has in fact become too large to be easily run.

In addition to the annual conference the committee also helps to organize special educational programs for Indians, aids research, and prepares proposals for government action.

These two organizations illustrate the stimulus which can be given to a generally favourable public opinion when it is given an outlet and focus for its concern. Such organizations supplement the permissive attitudes of the public with positive demands. By so doing they ease the task of government agencies which in a democratic society cannot long operate without public support.

General acceptance of the wisdom and necessity of regarding such outside groups as important allies already exists. It is, however, easy to occasionally relapse into the attitudes that such groups are perhaps unduly critical, often misinformed and perhaps too prone to take credit for the inspiration of Branch initiatives that would have occurred independently of their existence or support. It is also realized that a certain amount of tension between outside organizations and a government body is a sign of health, of independence, and the inevitable existence of divergent attitudes to policy in areas where the answers are far from self-evident. The role of outside organizations seeking to play a helpful role in the evolution of government policy is not easy. A recent bulletin of the Indian Eskimo Association reveals some of the difficulties.

> Liaison with officials of the Indian Affairs Branch should be strengthened. The habit of blaming all their troubles on the government is deeply rooted in the Indians and dies hard. They tend to ignore the new I.A.B. initiatives. Because their criticisms are voiced in meetings organized by I.E.A., I.A.B. officials sometimes feel that the Association is endorsing them. The 'honest broker' role is difficult to fill.[1]

It is particularly important to support Indian organizations by official encouragement, by the provision when asked of resource personnel for conferences, and by serious consideration of resolutions and complaints. This is necessary to avoid the danger of government policies being devised and implemented with the best intentions but without the appropriate degree of sensitivity to the way in which Indians define the problem to which the policy is applied. The fact that Indian leaders and spokesmen may make unjustifiably hostile and critical statements about the Branch does not simplify the task of senior Branch officials but in the present context of Indian development some such criticism is inevitable and should be quietly accepted as such.

An important attempt to increase the sensitivity of the Branch and Indians to each other has recently been made with the institution of Indian advisory councils. Before discussing these councils certain background information is desirable.

Throughout its history the Indian Affairs Branch has been hampered in the formation of new policy and the administration of existing policy by the absence of effective channels of communication with the Indian people. As noted elsewhere, Indian organizations have not yet developed to the point where they can be relied on as representative of the views of Indians either regionally or nationally. The possibility of consulting with every band council by correspondence has been used on several occasions, but this is a process which lacks expedition, is inappropriate for the discussion of complex questions, and is liable to result in a confusion of divergent views of little use to senior officials. Throughout the post war period the Branch convened a number of conferences at national and regional levels on an ad hoc basis to discuss changes in Indian legislation and to provide a forum for the discussion of Indian problems. These conferences, however, were sporadic and not part of any continuing arrangement.

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[1] Vol. 7, No. 2, March-April, 1966.

A number of factors coalesced to produce a need for a more systematic method of Branch Indian consultation. As the tempo of policy change quickened the need for more frequent use of consultative machinery became obvious. Further, as the emphasis in Branch Indian relations shifted from paternal to democratic the process of consultation came to be viewed as valuable in its own right. Finally, the fact that important shifts in federal provincial roles pertaining to Indians were possible added particular urgency to the establishment of consultative machinery, for as already noted Indian agreement to the process of increasing provincial involvement was central to this aspect of Branch policy and essential to its success.

In response to these considerations the Branch established a series of regional Indian advisory councils in 1965, which was capped with a National Indian Advisory Board. The regional councils have been elected, directly or indirectly, by the Indians themselves. Their membership varies from 8 to 12 members, including representatives from Indian associations in the region concerned. It is anticipated that the councils will meet at least once a year for a session of two or three days. The National Indian Advisory Board is composed of 18 Indian members, selected by the Regional Councils.

These councils are inteded to play a major role in the administration of Indian affairs. Their function is clearly advisory, but it is intended that their recommendations will be carefully considered and their viewpoints sought on broad issues of policy, proposed legislation, federal provincial agreements, new programs, and proposed changes in existing programs. Although the Indians will be allowed to raise matters, it is official policy that the matters referred to the councils by the government will take precedence on the agenda of any meeting.

Unfortunately, the recency of the councils makes it impossible to appraise their performance or to predict their future evolution. It is clear that their possible role can be of great importance. They can help to overcome the serious difficulties in Indian Branch communication which have hampered Branch policy. The meetings, hopefully, will provide opportunities for the Branch to become sensitized to Indian views, and also for Indians to become more aware of the difficulties faced by the Branch and the sincerity with which it is attempting to overcome them.

As a corollary to the use of advisory councils and a sympathetic approach to Indian and non-Indian organizations there should be a strong emphasis on public relations. The necessity for this is inherent in the responsibilities of the Branch. The statutory duty of the Branch to administer the Indian Act is only part of its wider responsibility for increasing the effective participation of Indians in the general society and economy of Canada. If its efforts are to succeed it needs the support, understanding and cooperation of Indians, the general public, provincial governments, employers, and service organizations. An effective public relations program constitutes therefore a basic weapon in the successful pursuit of Branch objectives.

The intelligent use of public relations to help develop the climate in which the objectives of Indian administration can be achieved and the according of positive support to organizations involved in Indian matters implies a specific interpretation of the role of the public servant which should be carefully and clearly outlined. To do this requires working through certain traditional assumptions which conflict with the nature of the role suggested here.

The traditional view of the "proper" relationship between civil servants and elected political leaders identified the civil servant as impersonal, efficient, and possessed of technical skills, but unconcerned with values. Civil servants were members of a group whose power was derivative and whose actions depended on the impetus of others--the latter being identified either as the electorate or the political authorities. This stereotype was supported by its compatibility with democratic assumptions that policy should reside with the popularly chosen representatives of the electorate. The anonymity of civil service activity made it appear that what should happen, did in fact happen, namely that the representatives of the people either in the Cabinet or Legislature were possessed of decision-making capacity and that the administration existed merely as a subservient tool to do the biddings of elected authorities.

These traditional views also rested on a distinction between policy (values) and administration (techniques). Policy was to be left to politicians who were to concern themselves with the identification of positive community demands and the negative limits of community tolerance. Civil service expertise was held to be technical, to be concerned with what could be done, to be concerned with accomplishing goals set by their political superiors at the least possible cost. Thus, the wedding of civil service expertise and political expertise produced policies that were responsive to public demands and were efficiently implemented.

This view was further sustained by the history of civil service reform, in particular the movement to replace patronage by merit as a basis for civil service appointments. The removal of partisan considerations from the appointment process was designed to increase the efficiency of the public service, and to ensure loyalty to changing administrations in a system of competitive party government. Here, too, the assumption has been that policy-making and the representation of diverse community interests were to be left to politicians who would respond to public pressures and transmit these pressures to the administrative branches of government. Implicit in the move from patronage to merit was an assumption that policy considerations should be outside the realm of legitimate civil service activity.

The unreality of the policy-administration dichotomy is now almost universally admitted by students of government. The knowledge gap between politicians and civil servants in complex areas of government activity is so pronounced that the policy significance of civil servants is unavoidable if the affairs of government are to be intelligently conducted.

Traditional assumptions about the appropriate division of labour between public servants and politicians are no longer acceptable, except in the sense that the final say does, as it should, continue to reside with the politicians. Not only is it necessary to accept the fact that effective policy-making is impossible without the contributions of experience and understanding possessed by the public service, but it can be said that in particular circumstances members of the public service have, and should assert a legitimate right to represent certain segments of the community who, for a variety of reasons, find few articulate spokesmen in legislatures, cabinets, and pressure groups.

In such circumstances the alternative to a particular branch of the public service constituting itself a spokesman for an interest or group with little political backing, is for that group or interest to obtain less attention from government than it needs, and probably less than simple notions of equity would consider reasonable.

The case of Indians constitutes a classic proof of the above proposition. As a group Indians are a special segment of the disadvantaged poor who are usually unskilled in the arts of applying pressure, possess few organizational means of effectively doing so, and who, until recently, were deprived of the franchise. Such groups are almost inevitably under-represented in the overt political system. In such cases it is especially legitimate for a public agency of government specifically charged with the responsibility of Indian affairs to so conduct itself that it counterbalances political under-representation with a forceful calling of governmental attention to the needs of its clients. If the logic of this is unacceptable then the Canadian people are implicitly saying that Indians can only direct attention to their needs by the weapons of the agitator and the revolutionary.

In viewing the situation of Canadian Indians and the political systems in which they exist there seems to be little possibility that too much will be done for them by government and a significant possibility that in the long run less than enough may be done. In this situation it is imperative that the Indian Affairs Branch do everything possible to increase the likelihood that a wealthy society does not, by default, find itself lacking in the expenditures of money and personnel that it could easily afford.

# CHAPTER XVIII

# FEDERAL AND PROVINCIAL ROLES IN INDIAN AFFAIRS

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## FEDERAL AND PROVINCIAL ROLES IN INDIAN AFFAIRS

This chapter will describe and analyse certain basic aspects of the roles of federal and provincial governments which are relevant to the changing position of Indians in Canadian federalism. It should be noted that no attempt has been made to be comprehensive in defining the governmental allocation of the innumerable functions of modern government which are important for the improvement of the socio-economic condition of the Indian people. This degree of comprehensiveness would have proved beyond the capacities of a much larger research team than this project was able to assemble. What can be done is to describe a number of factors which are of general significance. Initially it will be helpful to recapitulate certain basic arguments of previous chapters.

The constitutional position is fairly simple. The allocation of "Indians and Lands Reserved for the Indians" to the federal government is a permissive grant of law-making authority on the basis of which Ottawa has developed a basic Indian policy. The interpretation of chapter two suggests that the bulk of federal Indian policy is a response to neither treaty nor constitutional requirements. The treaties contain only minor limitations on the competence of the provinces to extend their services to Indians. It is, in short, a highly flexible situation.

The flexibility for alteration in federal provincial roles derives essentially from the fact that, apart from Indian lands, the grant of lawmaking authority to the federal government refers to a particular clientele group, Indians, rather than defining the functional activities which Ottawa alone may handle with respect to that group. Although it is possible that the courts might declare that certain federal activities can not in fact be sustained by Section 91 (24) as being in pith and substance legislation relating to a subject matter allocated to the provinces under Section 92 we know of no example where this has occurred. On our interpretation, therefore, it has been essentially a matter of policy what particular functions Ottawa chooses to perform specifically for Indians.

Under existing policy the Branch is attempting to shed some of its traditional functions, as in education and welfare, on the assumption that they can be better performed by the provinces with whom technical expertise in these areas predominantly resides. In view of the divergent opinions as to the constitutional import of this policy a brief analysis is relevant at this point in our analysis. The movement of Indian children from federally operated Indian schools to provincial schools, a movement which has already gathered considerable momentum, or the change in personnel from the Indian superintendent to a provincial official in the administration of social assistance, a change which the Indian Affairs Branch strongly encourages, give the appearance of being actual transfers of constitutional authority from one level of government to another. Or, adopting a different perspective, and directing attention to the heavy federal payments involved in the provincial provision of welfare and community development services to Indians with reserve residence, it looks as if Ottawa is simply buying a provincial service the better to fulfil her own constitutional responsibilities.

The first impression supports the belief that an important constitutional change is occurring as Indians receive specific services from a different level of government than hitherto. The second impression supports the belief that little of constitutional significance is taking place because predominant financial responsibility remains with Ottawa. Both of these beliefs are misguided because both assume that the constitutional dimension of the change, whether large or small, is an important consideration in evaluating its nature. On the basis of our analysis, the 'transfer' of particular functions from the federal to the provincial government is devoid of constitutional import, except in the sense that the working of the constitution has been altered by extending the coverage of particular provincial services to include Indians. With minor exceptions dealt with in Chapter two the British North America Act is indifferent as to whether services are provided to Indians by the provinces on the basis of the specific grants of lawmaking authority allotted to the provinces, or provided by the federal government under the clientele authority deriving from "Indians", or, indeed, whether a particular service is provided at all. There is thus no constitutional or treaty reason why the provinces could not extend the full panoply of their welfare services to Indian reserves without any special federal assistance if they so desired. There is no constitutional or treaty reason why a province could not extend its community development program to an Indian reserve regardless of federal wishes and the availability of federal financial support if it were so inclined.

There may, of course, be practical difficulties in the above instances. The possibility of a provincial community development officer carrying out his duties on an Indian reserve against the wishes of the Indian Affairs Branch is not a pleasant prospect. There may also be policy difficulties in the sense that it is basic Indian Affairs Branch policy that no provincial service will be extended to an Indian reserve against the wishes of the band council concerned. The constitutional appropriateness of this policy in all possible circumstances is not clear. In the field of provincial child welfare legislation, for example, where there is no overriding federal legislation, if a provincial government decided to fully extend its services to Indian reserves, an action which is within its constitutional competence, we are not convinced that the federal government has the constitutional capacity to tell an Indian band that it has the right to refuse to accept such services. The 'right' of refusal is rendered somewhat anomalous by the vigour of the Branch claim that the Indian is a provincial citizen, and also because of the provisions of Section 87 of the Indian Act. The implication, of course, is that Ottawa is informing an Indian band council that it has the right to defy provincial legislation in an area of provincial constitutional supremacy. This argument, of course, would not hold true if the federal government occupied the field with its own child welfare legislation for Indians. In short, the extent of the applicability of the above argument, assuming its correctness, would seem to depend on whether or not there was prior occupation of particular provincial fields by federal Indian legislation. This seems to be an area requiring rethinking and clarification.

In view of the preceding the constant reiteration by the federal government that it has no intention of transferring its jurisdiction over Indian affairs to the provinces merits close examination. The purpose of such statements is simply to reassure Indians that their special relationship to the federal government will not be jeopardized by the extension of particular provincial services to the reserves. Such statements tend to impart a sense of stability and continuity in the midst of changes in the governmental source of services received by Indians. Indians have been reassured "that there was no thought of the Federal Government trying to get rid of its jurisdiction or get rid of its responsibility for Indian people. The Federal Government was not trying to get out of its responsibility under the British North America Act." While the integrity with which such statements have been made can be taken for granted, their substantive meaning merits examination. In view of the analysis of an earlier chapter which indicated that "Indians and Lands reserved for the Indians" is a permissive, rather than mandatory, area of federal authority, and in view of the argument that the treaties, which only apply to about one-half of the Indian population, are relatively insignificant as determinants of the responsibilities which Ottawa has historically assumed, it becomes clear that the content of the federal jurisdiction over Indians which will not be given up is highly elusive and subject to significant shrinkage as federal services are replaced by provincial services.

If, to illustrate, the federal government moves out of health, welfare, local government, community development, and economic development it is self evident that in practical terms there has been a very significant change in the content of federal jurisdiction under Section 91 (24) even if technically the constitutional responsibility of the federal government remains inviolate. We feel that this discrepancy between the stability of the constitutional position of the federal government, and the marked changes possible in the significance to be attached to it must be clearly understood if the nature of the process of change in federal provincial roles is not to be misperceived, especially by Indians.

In view of the preceding discussion of the insignificance of constitutional and treaty fetters to changes in federal and provincial roles it is plausible to ask why the federal government finds itself in the anomalous position where it has to make special payments to the provinces to induce them to undertake for Indians the responsibilities which they routinely undertake for non-Indians and which they are constitutionally perfectly competent to provide for Indians under the existing federal provincial division of powers. By only a slight stretch of the imagination one could visualize a situation in which the federal government asserted that it had for too long assumed responsibilities that were the 'proper' responsibilities of the provinces and that its long and generous shouldering of the expenditures involved in such responsibilities constituted an act of governmental generosity unparalleled in the history of Canadian federalism. In such circumstances, a 'tough' federal government might in fact demand some provincial repayment for federal services performed on behalf of the provinces for the last century. This position is no less valid and no less capable of finding supporting 'constitutional' arguments than is its converse.

The reasons why this speculative federal position does not prevail, and is indeed not even mentioned, are found in a mixture of political and financial considerations which derive their significance from the fact that a traditional pattern of governmental responsibilities, which is given a particular interpretation, is undergoing change. In the absence of special financial arrangements this evolving pattern of provincial involvement would result in increasing provincial financial responsibilities with no corresponding increase in provincial fiscal resources. Since it is the federal government which, by and large, is seeking provincial involvement it is natural for the provinces to expect favourable financial terms. It must be emphasized, however, that even if special financial arrangements for the inclusion of Indian people in provincial programs prove to be long lasting, this only means that political and tactical considerations require these special arrangements, not that Indians are in any different constitutional relationship with provincial governments than are non-Indians with respect to the services in question. The only essential difference is that whereas the federal government cannot enact legislation pertaining to the welfare, education, or local government of a typical non-Indian community it can do so with respect to Indians. In other words, the federal government has the option with Indians, which it does not have with non-Indians, of providing services normally under provincial control on its own if it so desires. Constitutionally, this possibility will continue to exist even if provincial governments are providing the services at the time.

We have not felt it feasible in this report to specify precisely the nature and extent of the financial responsibilities which should be assumed by each level of government in extending normal provincial services to Indians, and in financing whatever special programs are deemed necessary. Our hesitation rests ultimately on the fact that the field of cost sharing in federal provincial programs is devoid of any clear cut criteria for determining the respective shares of the two governments. This is because cost sharing is pre-eminently a political rather than a market transaction. This is illustrated by the widespread resort to the 'principle' of having both levels of government pay 50% of the cost in shareable programs. Since it is impossible to assume that this figure represents the actual interest of both governments in the aided area, it may be regarded as essentially a ritual or political figure. Its main significance is to symbolize equality between the sharers.

In this particular area of federal provincial relations it is thus impossible to assert that some principles for cost determination are 'correct' in any absolute sense, while others are 'wrong'. A correct financial arrangement is one that works, which means that it is acceptable to both participants. This presupposes that it will be of a sufficient magnitude to provide an adequate incentive for the recipient government to meet the standards devised by the donor government.

Federal provincial financial relations pertaining to Indians will differ from the generality of federal provincial agreements in several ways. It must be remembered that unlike many conditional grant programs which involve changes in the way in which provinces provide the services in question, the extension of normal provincial services to Indians is not a process intended to alter the nature of the service itself, but simply to add a new group of recipients to those which it covers. Consequently, any expenditure by the province on a group traditionally regarded as a federal responsibility can be viewed, when seen from historical perspective, as an act of provincial generosity. "Our Government," stated one provincial official, "feels there is a limit to the amount of provincial revenues it can devote to the provision of services which rightly or wrongly they feel are a Federal responsibility." Again it was stated that one cannot expect "the Province to assume too much additional financial burden in trying to solve problems it had no part in creating." In these circumstances, it must be expected that the ratio of the federal contribution to the total cost of the service will be exceptionally high. In at least one case a province has argued that on grounds of basic principle it is unwilling to assume a share of financial responsibility for the provision of welfare services to reserve Indians who possess "special privileges under treaty and constitution."

The necessity for the federal government paying a disproportionate share of costs is especially clear in welfare and community development programs. In the latter case, Ottawa is in effect willing to pay 100% of the costs of extending such programs to Indians. This is because community development is regarded as a terminal program which, by its contribution to raising the socio-economic status of the Indian people, will increase the likelihood of the provinces ultimately accepting the same cost sharing arrangements for Indians as apply to non-Indians. Federal cost sharing proposals in welfare are only slightly less generous. The formula recognizes that Indians, per capita, are much more heavily dependent on welfare than Whites. As a consequence of this the federal government is willing to pay the great bulk of the costs of providing general assistance and welfare services to Indians. The suggested provincial share is in fact only nominal, and is designed to do no more than establish the principle of a provincial stake in Indian welfare. The extent of the provincial share is further reduced by the fact that 50% of its contributions will be recouped from the federal government under the Unemployment Assistance Act.

What is at stake, ultimately, is not a debate over money, but a difference of opinion over the principles which are relevant to the determination of the distribution of costs. As is only to be expected with arrangements which extend over a wide range of functional areas there are significant differences in the respective shares assumed by the federal and provincial governments. Nevertheless, there is a general federal position which broadly argues that in fact Indians are provincial citizens, who pay most provincial taxes, and therefore the provincial government should recognize some financial share of the total costs of particular programs. This is argued not only in terms of equity, but on the grounds that Indians will not feel that their provincial citizenship is being recognized if the provinces are unwilling to assume at least a modest share of the cost of service provision. The general Branch position is that as the socio-economic status of Indians improves under the impact of positive programs of community change there can and should be a phasing out of special financial arrangements for the Indian people and that they should be covered by whatever normal federal provincial agreements prevail in the affected areas. In other words, in the long run Indians should be treated in the same way as everybody else in terms of federal provincial financing. We support this goal.

As already noted, one of the factors which tends to evoke special financial arrangements is that the initial approach for the extension of provincial services comes from the federal government. This inevitably results in intergovernmental bargaining, and stresses the additional effort required of the provinces while frequently minimizing their actual constitutional competence in the areas under discussion. The possible long run implications of this development are disturbing. Outside of the basic provincial programs in education, welfare, and health in which federal departments are already operative and where it is thus unrealistic to assume that the provinces will extend their services without special financial arrangements, there are numerous additional areas of provincial activity. These include training programs, grants to local government, and a host of inspection and advisory services. The list is almost endless. The undesirable consequences of an unending proliferating series of federal provincial agreements in every conceivable area of provincial service activity are self evident.

The objective of making Indian provincial citizenship meaningful can easily be destroyed and strangled by an indefinite expansion of complex agreements which are difficult to administer, may require alteration with every change in provincial legislation, are productive of intergovernmental tension and acrimony, while also stressing the separateness of the Indian people by the very mechanisms designed to eliminate discriminatory treatment. It is inconceivable that every provincial official who steps on to an Indian reserve should do so because of a special arrangement.

A further consequence of the agreement route to provincial involvement is that it complicates the task of public control of government. Effective political control depends on vertical relationships between cabinets and legislatures, and between cabinets and electorates. A basic tendency of intergovernmental agreements is the creation of vague uncharted regions between governments where no one is particularly responsible for decisions, and where there is no specific electorate to whom decision makers can be held clearly responsible. Such a situation is ideal for the evasion of responsibility by governments, evasion which readily translates itself into federal provincial contention to the detriment of Indians.

If it is assumed that a diligent pursuit of inequities would uncover numerous areas where Indian communities were recipients of discriminatory treatment, with its corollary that the elimination of all such anomalies will cost the provinces money, how can an undesirable proliferation of agreements be avoided? One way is simply by having Indians make their own requests to provincial officials for the services in question. Their claim can be the elemental one that it is discriminatory to withhold them. Their justification resides in the basic fact that they are provincial citizens. Their chance of success depends on the skill with which they make their demands, and the clamour they are prepared to make if their requests are refused or ignored.

It would be infinitely preferable if Indians fought their way into the provincial community as recipients of services than if the federal government bought their way into the provincial community in all circumstances. It is thus strongly suggested that Indian leaders at the community and provincial level be assisted in identifying and diligently seeking redress by all the political weapons of a free society from the disabilities under which they presently suffer. It is to be hoped that a valuable by-product of community development activity will be the stimulation of the appropriate attitudes and skills among Indians to vigorously make the required demands to obtain this goal, and thus hopefully lead to greater provincial involvement without special financial arrangements. This type of political activity by Indians will also have the desirable effect of making the responsiveness of governments to Indians reflect Indian definitions of their own need. As long as they remain largely spectators rather than participants the interest of governments in their needs will reflect priorities established by non-Indians. This is particularly so with respect to the provinces since Indians, for historical reasons, have largely been oriented to Ottawa.

The second possibility is for provincial governments to make the policy decision that Indians are in reality provincial citizens in the fullest sense compatible with those aspects of Indian status found in treaties, the special nature of Indian community land holdings, and certain historic privileges they have long enjoyed under the Indian Act. This would undoubtedly result in the opening up of innumerable provincial grants to Indian communities, the extension of advisory services in recreation, agriculture, adult education, etc. This would not only constitute an act of magnanimity, but it would avoid unnecessary federal provincial contention. We are not competent, and we venture to say that no one is, to assess the extent and nature of Indian exclusion in each province. It is in fact the very complexity of provincial activity which persuades us that an ad hoc approach in an infinity of discrete areas is self-defeating.

We hasten to add that it is unlikely that such a whole-hearted provincial effort would prove more expensive to the province than an extension into additional areas of the agreement patterns in welfare, education, and community development. We say this for three reasons. Such an extension of provincial activity would undoubtedly speed up the process of increasing Indian earning capacity, and thus constitute a net gain to the provincial governments in lessening the costs of welfare, urban slums, and the possible growth of ethnic tensions with their attendant public costs.

A second economy would result from the saving of staff time which would otherwise be spent in the management of agreements with the federal government. The third reason for our doubts about the effect of such actions in increasing provincial costs rests on the fact that there is something inherently artificial about superimposing complex cost sharing arrangements on a general split of federal and provincial revenue sources. The operations of the federal system are such that increases in the financial responsibilities of one level of government are ultimately corrected by an increasing share for that level of the total revenues available to governments. Thus services provided to Indians would simply be translated into increased demands for revenues by provincial governments which would be reflected in changing patterns of general federal provincial fiscal relationships. This is simply because the single most important factor in determining the financial resources of the two levels of government is the burden of responsibilities they respectively assume. It is thus a safe hypothesis that if the provinces were not getting additional funds through special arrangements they would obtain roughly the same amounts due to the increased taxing leeway they would be able to gain, or through increases in unconditional grants from Ottawa. It is suggested that the dramatic shifts in the ratio which federal and provincial revenues bear to total government revenues in the last two decades amply proves the point. The process, of course, is crude, and by its very nature cannot operate with the precision of specific agreements which attempt to identify costs in discrete areas. Nevertheless, the advantages of such an approach so greatly outweigh its disadvantages that we recommend that it be the goal of federal provincial financial relations pertaining to Indians as soon as possible.

The major policy change in the administration of Indian affairs in the post war years concerns the attempt to overcome discrimination in the field of service provision for Indian people. At first haltingly and then with increasing vigour there developed at the federal level a policy of rendering more normal the relationships between Indians and provincial governments. Concurrently some of the provinces began to move in the direction of eliminating the exclusionary effect of existing provincial legislation. Previous chapters have analysed the changing political rights of the Indian as a voter in the federal and provincial political systems, the growth of provincial involvement in the field of welfare, and the nature of the changes desired to facilitate the development of Indian local government. Other sections of this report have analysed the increased attendance of Indians at provincial public schools, and have recommended that the provinces should play an enhanced role in Indian economic development. It is not necessary here to recapitulate the extent of the progress already made in these areas or the size of the gaps that remain. Research limitations have prevented us from the examination of the almost endless list of other areas of provincial activity, roads, fur and game, agriculture, hydro-electric power, and recreation for example, which a comprehensive analysis would have to include.

Before an analysis of the nature of Indian exclusion is provided, a word of preliminary caution will prove salutary. It is necessary to distinguish between changes in the relationships between governments and Indians and changes in the socio-economic status of Indian communities. It is easier to move the Indians into provincial school systems than to motivate them when they are there. It is easier to build houses on reserves than to hand over the reins of local self government and have them successfully handled. It is easier to give the Indian the provincial vote than provide him with a self identity as a provincial citizen. It is easier to increase welfare payments to Indians than it is to increase job opportunities. In brief, the changes in the relationships between Indians and governments in a formal sense which have already taken place, and which will continue to take place, should not be confused with the successful completion of the underlying basic task of removing the causes of alienation, poverty and dependency, and of cutting down the disproportionate incidence of alcoholism, illegitimacy and other indications of social disorganization.

Governments and the Canadian people must beware of seeking a formal solution to the problems facing Indians as members of communities and as individuals. A formal solution would be one in which differences in the public treatment accorded Indians and Whites were completely eliminated, and no further action was taken. An unrestrained emphasis on simple formal equality, which is not humanized by necessary supplemental treatment and services, could lead to the placing of Indians unaided in competition with Whites with disastrous results.

The equal treatment in law and services of a people who at the present time do not have equal competitive capacities will not suffice for the attainment of substantive socio-economic equality.

With the preceding as a cautionary note, it will be useful to provide an examination of the range of factors which would have to be considered in a comprehensive examination of the extent to which Indians are in fact in the same relationship to provincial governments as Whites. An exercise of this nature is not only of academic interest, for it helps to reveal the large number of variables which can affect the extent to which provincial services and administrative capacities are put at the disposal of Indians. It would be unwise to pretend that this approach is exhaustive in its description of the major relevant variables, or that other descriptive categories might not prove more useful for other purposes. It can be claimed, however, that the approach outlined below does help to provide an indication of the complexity of Indian exclusion. Stimulated by the Select Committee Report of the Ontario Legislative Assembly, Civil Liberties and Rights of Indians in Ontario, 1954, which indicated that there were 44 provincial Acts administered by the Department of Agriculture which could beneficially apply to Indian reserve agriculture if advantage were taken of them, we first attempted to assess the extent of Indian exclusion by going through provincial statute books. We were quickly disabused of the usefulness of this approach, and came to the conclusion that the following categories were relevant to the compilation of any reasonably accurate summary.

1. Exclusions based on the Indian Act.
   (a) Where there is a conflict between a provincial law and the provisions of an Indian treaty then the provincial law is inapplicable to the extent of such conflict.

   (b) Provincial laws in conflict with any Act of Parliament other than the Indian Act must give way to the extent of such conflict.

   (c) Provincial laws which are "inconsistent with" the Indian Act (or any order, rule, regulation or by-law made under the Indian Act) are not applicable to Indians.

   (d) Provincial laws are also inapplicable if they "make provision for" any matter for which provision is made by or under the Indian Act.

2. Exclusion explicitly provided for in provincial legislation. As noted earlier this form of exclusion was formerly widespread with respect to the franchise, and is still widespread in the welfare field. An exhaustive survey of provincial legislation would undoubtedly uncover many other instances.

3. Exclusion implicitly provided for in provincial legislation. Here the provincial exclusion is indirect. The legislation may not refer to Indians as such, but the categories to which it applies, or the instrumentalities through which it operates do not include Indians. For example, much provincial legislation operates through municipal institutions. As long as Indian reserves are not regarded as municipalities for the purpose of such acts, Indians are effectively prevented from obtaining the benefits and services they provide. In Quebec, for example, the Province imposes a 6% sales tax, 2% of which is returned to the municipalities. Indians pay the tax, but receive no return as their reserves are not regarded as municipalities.

   A sub category of the above is what may be called logical exclusion. This refers to the kind of legislation which is applied to categories which Indian status effectively precludes Indians from entering. Access to credit facilities which depend on giving a lien on real or personal property is seriously hindered by Section 88 of the Indian Act which protects Indian real or personal property situated on a reserve from seizure by a non-Indian.

4. Attitudinal exclusion. This refers to situations in which there is no statutory exclusion, direct or indirect, and in which there is no logical incompatibility between the service in question and any specific aspect of Indian status, and yet in which Indians are in fact provided with inferior services. Illustrations of this were given earlier. Exclusion of this nature, which may be partial rather than total, simply reflects an assumption that Indians are not a provincial responsibility in the same sense as non-Indians. As a result they do not receive the same consideration. They are placed at the end of the queue. This category is of exceptional importance because of the very high degree of administrative discretion characteristic of the activities of modern government.

5. Socio-economic exclusion. This kind of exclusion simply reflects the low socio-economic status of the Indian people. Many of the public facilities of modern societies are disproportionately used by middle and upper social classes. Educational facilities, especially at the higher levels, constitute the classic example. In addition to this, there is a miscellaneous category of cultural and recreational activities supported by the modern state - libraries, museums, and parks for example - from which Indians derive little benefit, either because they are physically remote from such facilities or because they lack the interest or funds to take advantage of them.

6. Exclusion based on Indian attitudes or lack of knowledge. This refers to services which are in fact available to Indians, but are seldom requested. This apparently applies to the services of the District Agriculturist in Alberta which, according to official documents, are available to Indians, but few requests for them are made.

In this concluding chapter it will be helpful to group together some of the important factors which impinge on the answer to the question of what pattern of federal and provincial roles is most appropriate in providing services to the Indian people and in providing the massive assistance that is required so that they can move at an accelerated pace into the mainstream of Canadian social and economic life. Since the transition from being a bystander to an effective participant will not be easy for Indians, it is evident that supplemental programs beyond those normally provided by governments for citizens will be required.

1. The provision of services to Indians by the province rather than the federal government is not desirable simply because it will eliminate an administrative anomaly that appears discriminatory. The question of whether normal provincial services are preferable to separate federal services can only be determined by careful examination in each functional area. Depending on the circumstances, undifferentiated treatment in the provision of services may or may not be desirable.

2. One of the preconditions to service extension established by the Indian Affairs Branch and agreed to by the provinces is that the services Indians receive from the province be at least equal in quality to existing services provided by the Branch. While the principle is clear, its application is less so. It is perhaps self-evident that the child welfare services provided under provincial authority are superior to the limited services an unskilled Indian superintendent can provide, especially when he does not even have the force of law behind some of the actions he might feel compelled to take. However, in the field of community development no widely accepted criteria are evident which would lend themselves to automatic acceptance by both federal and provincial officials. It also seems likely that in the provision of educational facilities in isolated areas federal and provincial officials may honestly differ in their assessments of the respective merits of their two school systems.

On the assumption that criteria for comparability can be found it is evident that they can only be applicable at the time of 'transfer'. After the provinces have assumed administration of a particular service it will be impossible to tell whether the quality of such a service at some future date is superior to what the Branch service might have been had the service remained in federal hands.

3. The desirability of extending provincial services is not increased simply because it fits in with prevailing decentralist trends in Canadian federalism. The fact that the advocacy of service extension tends to come from the Branch rather than the provinces facilitates the separation of the Indian aspects of federal provincial relations from other areas where provincial pressures and demands for more power and more fiscal resources are pronounced.

4. Logically, growing provincial involvement in service provision for Indians will result in a decline in the coherence and integration of policy affecting Indians. Indians will increasingly be caught up in the consequences of policy making which reflect provincial needs, rather than distinct Indian needs, as seen by the province. Whether this is an important problem cannot be determined on theoretical grounds. It is possible that federal provincial coordinating committees, discussed in a previous chapter, will have some effect in overcoming problems of coordination. In any case, to the extent that disadvantages exist, they have to be counterbalanced by other factors, such as the breakdown of Indian isolation which contact with a diversity of service agencies will bring.

5. An important consequence of the extension of provincial services will be an increasing degree of interaction between Indians and various officials operating under provincial jurisdiction. Indians will receive services from officials who are functional specialists rather than 'Indian specialists'. The change is from a clientele agency to a number of functional agencies. The change can, of course, be exaggerated, for the Branch contains its own professional personnel, and a consequence of provincial contact with Indians will likely be the development of special interest in and understanding of Indians among some provincial officials.

6. The willingness and capacity of governments to employ highly specialized personnel is affected by the size of the community to which particular services apply. With respect to the provision of standard provincial services to Indians this has worked against federal specialization, and indeed this fact constitutes a basic argument for the extension of provincial services so that Indians can have the benefits of those professional skills which the provinces can employ on behalf of the entire provincial community. On the other hand, with respect to the employment of specialized personnel in matters pertaining to Indians as such, it is evident that there is a much greater likelihood of such individuals being employed by the federal than by provincial governments. The importance of this would likely be most relevant at headquarters level.

7. Where it is desirable to include Indians within the provincial framework of services it is evident that the growth in Indian population demands that such inclusion be undertaken as expeditiously as possible. The growth in the population size of reserve communities has the effect of reducing the import of some of the technical arguments against uneconomical duplication of provincial services. Every increase in population size renders Indian communities more viable for the provision of separate services. When this demographic consideration is added to the general pressures that Indians cannot indefinitely be barred from the receipt of services similar to those readily obtainable by the White population the temptation to establish, or maintain and develop separate services, given sufficient time, may become irresistible. Opposition to this development is not based on unyielding principled opposition to separate services as such, although there is cogency in the assertion that separate services will have a general tendency to work against free and easy intercourse between Indian and White segments of the community, but on the more pragmatic grounds that it is doubtful in the great majority of cases that separate services will be of as sophisticated a nature as those provided by the provinces.

8. Definitions of appropriate governmental roles do not begin with a clean slate. To be meaningful they have to accommodate themselves to the practical possibilities of government willingness to adapt. An important aspect of the existing situation in this respect is that the provinces are less concerned to extend their services than the Branch is to have them extended.

Given the present psychological climate of Canadian federalism this means that the provinces will be able to play a major part in determining the conditions under which they will assume these new responsibilities. On the other hand, the lack of aggressive provincial desire to incorporate Indians within the provincial service framework means that there is little pressure for Ottawa to cease the performance of particular services against her wishes or better judgment. The federal government may have considerable difficulty in getting the provinces active in the ways she desires, but there is little likelihood, with the possible exception of community development, that the provinces will induce the federal government to cease the performance of a particular function which Ottawa is reluctant to relinquish.

Recommendations for a future pattern of government responsibilities must begin from the existing situation. This is a situation in which tradition has played an important part in the determination of widely held assumptions about what the appropriate roles of each level of government should be. The basic tradition has been that Indians are a federal responsibility, and that the role of provincial governments in service provision is minimal if not nonexistent. Although the continuing significance of this tradition cannot be disregarded, the tradition itself is malleable and evolving. A developing part of this tradition which constitutes an important departure from the past is the post war record of provincial involvement in selected aspects of welfare, and in allowing and encouraging the movement of Indian children into provincial school systems. Other examples of provincial involvement in such areas as community development, renewable resources, and special employment policies for Indians constitute additional illustrations of basic policy shifts in the administration of Indian affairs which have acquired their own momentum.

For reasons set forth in various sections of this report the general policy of extending provincial services to Indians merits strong approval. Research in the welfare field strongly substantiates for that particular area the desirability of extending to Indians those welfare services under provincial control as expeditiously as possible. The position with respect to local government, which is discussed above, is less clear cut. There seems, on the whole, to be little advantage in having local government institutions of the Indian reserve community organized by provincial officials, and under the control of provincial departments of municipal affairs. Such an approach, on the basis of the analysis presented earlier, could only be pursued on the basis of a dogmatic opposition to differential treatment of the Indian people, even where such treatment is advantageous. It is therefore recommended that the basic local government structure of Indian communities continue to be under federal control. This, however, is not incompatible with a healthy integration of Indian local governments into the provincial system with respect to numerous provincial grant aided programs and advisory services. In essence, the recommendation is that Indian local governments, with provincial approval, should be treated as if they were provincially organized for all purposes which are beneficial.

In this concluding chapter of this section it is far from being our wish to stress the federal role at the expense of the provincial. We have already indicated our general support for the basic policy of extending normal provincial services to Indians, with the qualification that due attention be given to the merits of the case in each functional area. We have also advocated that a vigorous attempt be made to seek out provincial services outside the existing area of policy concern and to see that, where suitable, they are extended to Indians. The conception which underlies the recommendations of this section assumes that both levels of government have major roles to play in matters pertaining to Indians, and that they will concert their efforts to the greatest extent possible.

For the moment, however, we wish to stress certain functions which, because of the historic role long played by Ottawa in Indian affairs, can best be performed by the federal government. The initial category of federal functions, briefly described below, represents inherent consequences of the existence of treaties, Indians, Indian moneys, and Indian lands.

The obligations imposed by the treaties on government will have to be assumed by Ottawa until, if ever, they are commuted.

The administration of Indian trust moneys, as long as a special role is to be performed by government in this regard, constitutes an obvious federal responsibility.

Provision for the management of Indian lands, whether directly by Ottawa or by Indians themselves under new arrangements, is a logically unavoidable federal responsibility. The necessity for the performance of this function is independent of whether or not the land has been set aside under treaty.

As long as Indian assets exist, in the form of moneys and lands, procedures will continue to be necessary to determine if a particular Canadian citizen is an Indian. Procedures for gaining and giving up Indian status are also involved.

The second major category of continuing federal functions requires more elaboration for it derives from certain rights which Indians possess, more or less explicitly, due to the fact that they were waiting on the shore when the White man first set foot on the northern half of this continent.

As already noted Indians possess certain rights under treaty for special consideration in their traditional avocations related to the exploitation of renewable resources of fish, fur and game. Where these rights are not established under treaty special provisions in provincial legislation or leniency in administration frequently accord Indians supplementary privileges not available to other Canadians. We feel that these special recognitions regardless of their source should be regarded as charter rights of a people who roamed the North American continent before the arrival of the White man and for simple reasons of historical necessity have been forced to adapt to a civilization that was not of their making, even though it is for many becoming one to their liking. Our assumption rests on a premise that requires elaboration.

It seems to us that there is a category of rights which can be called charter rights which derive from history and long respect. They relate ultimately to the fact that the Indians were here first; that a series of bargains were made by the ancestors[1] of the present generation of Indians and Whites by which the latter were allowed to develop peacefully the northern half of a richly endowed domain, in compensation for which the original possessors, however their title may be classed by anthropologists or lawyers, were accorded a special status, partially contained in the treaties, and partially sanctioned by long usage in the Indian Act. In retrospect it is clear that the privileged position to which Indians are entitled was historically used as a justification for depriving them of services of a quality and quantity equal to those received by non-Indians. By any standard of measurement a privilege was turned into a millstone

At the present time a postwar version of egalitarianism is responsible for a very desirable attempt to see that Indians are brought within the framework of all normal public programs which are not inherently incompatible with their unique status. The position we strongly hold is that Indians are citizens plus; that in addition to the normal rights and duties of citizenship they also possess certain rights simply by virtue of being Indians. This position is supported by the rather vaguely worded recommendation of the 1959-61 Joint Committee which stated the Committee's belief "that the advancement of the Indians towards full acceptance of the responsibilities and obligations of citizenship must be without prejudice to the retention of the cultural, historical and other economic benefits which they have inherited."[2]

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[1] Not always ancestors however. Treaty 11 with the Slave, Dogrib, Loucheaux, Hare and other Indians was signed as recently as 1921. Also, in 1944-45, 65 Cree Indians were enrolled under Treaty 6, and as late as 1954-55, 87 Indians were added to treaty in the prairie provinces.

[2] Joint Committee, 1961, p.605.

We see here a clear danger that the egalitarianism which is hostile to inferior second class services for Indians may also be hostile to the 'plus' aspects of Indian citizenship. A pragmatic, ahistorical society undoubtedly finds the argument for charter rights and charter status difficult to seriously consider. It is however our position that the needs of the Indians based on their poverty and their absence of competitive capacity should be kept separate from the rights of Indians derived from the special way they came to be members of the Canadian community. The extent to which the charter aspects of Indian rights lack conviction simply reflects the degree to which an educational program is required to create conviction.

The Indian Affairs Branch has a special responsibility to see that the 'plus' aspects of Indian citizenship are respected, and that governments and the Canadian people are educated in the acceptance of their existence. This function is not insignificant for, as already noted, a melting pot philosophy is not uncommon among senior provincial officials and politicans. It is also evident that many Indians view proposed extensions of provincial services as the beginning of attempts to erode the 'plus' aspects of their citizenship noted above. In these circumstances meaningful reassurances to the Indian people that such is not the case will make them more amenable to the receipt of provincial services which can contribute to their advancement. The preceding suggestions do not of course preclude commutation of some or all of these 'plus' aspects with the mutual agreement of Indians and governments. Changed conditions, however, do not in themselves constitute sufficient reason to allow their erosion without Indian agreement.

Included in the diversity of functions which are necessary in the transition period between the present and the full attainment of satisfactory levels of social and economic equality for the Indian people is a function best described as protective. This has, of course, been the most important function performed by the federal government for Indians throughout most of the period of Indian administration. It was largely performed by the implementation of a reserve system with an inalienable land base. The reserves were in a sense refuges within which Indians could be protected from certain aspects of the aggressive surrounding society which it was felt they were ill equipped to meet. There is general agreement that this protective function was well performed, and that the protection of Indian lands from usurpation is a record in which Canadian experience compares very favourably with American.

While this report has been critical of certain aspects of Indian administration in the past, criticism has not been directed to the protective aspects of historical policies per se, but rather to the fact that the protective role was not adequately supplemented and supported by more positive programs of social change. Now that the latter are acquiring an emphasis more proportionate to their importance it is helpful to stress those continuing aspects of a protective role which remain important, and to assess whether new aspects have been added to that role by developing circumstances.

It is salutary to raise the question as to whether a protective role continues to be necessary for the Indian people. This aspect of federal policy has been sufficiently criticized so that if a continuation of such a role is necessary a contemporary justification is required. It could be argued that changes in governmental and community attitudes to the Indian people, coupled with the developing political interest of Indians and those who speak on their behalf are sufficient to ensure that Indians can be safely left to the benevolent operations of federal and provincial political systems and to the community good will they will encounter in their search for jobs, education, and homes. This proposition however is surely unrealistic. At the provincial level official interest is still too diffuse and ill developed to state that, for example, in a contest between private speculators and Indian land owners the position of the latter would be given sufficient weight. It is partly for this reason that Indians are suspicious of the provinces. With respect to Indian lands, therefore, it seems that a continuing federal protective role is necessary. The nature of that role will doubtless change as the participation of Indians in local decisions becomes more active, but some updated version of the role is still appropriate.

The example of Indian land used in the preceding paragraph illustrates a general proposition that as long as Indians are deficient in the capacity for self-defence in a society of large and powerful private and public organizations they must be given supplemental consideration.

Inevitably, however, the nature of the protective function has to change in response to the changing conditions which the Indian people increasingly encounter.

The following paragraphs will analyse certain aspects of the modern version of the protective role which new conditions demand.

As long as Indians constitute a significantly disadvantaged group relative to Whites, and regardless of who is undertaking the major steps to alleviate such disadvantages, the Indian Affairs Branch will have a continuing responsibility to act as a national conscience to see that efforts do not slacken until an acceptable approximation to social and economic equality has been achieved. This is a segment of a generalized role which the Indian Affairs Branch, acting on behalf of the federal government, must perform. It includes the persistent advocacy of Indian needs, the persistent exposure of short-comings in the governmental treatment Indians receive, and persistent attention to ensuring that ethnic tensions do not assume unmanageable proportions.

Hopefully, ethnic tensions between Indians and Whites may not assume major proportions, and indeed should not, given concerted efforts now. There are, however, certain long run tendencies which could precipitate 'racial' troubles of a serious nature. By the year 2,000 the Indian population probably will have reached half a million. This is a far cry from the demographic considerations which prevailed into this century and which allowed the comfortable belief that Indian problems were only transitory and would pass away as Indians proved incapable of resisting the aggressive contact of a technologically superior civilization. It must also be noted that this much larger Indian population will not be hidden away in the enclaves of the reserves. Many will be living, at acceptable and unacceptable standards, in the towns and cities of Canada.

There are already a number of frontier communities, mainly northern, which possess the ingredients for ethnic strife. These northern communities are typically possessed of characteristics which include a low tax basis, a difficulty of tax collection, an influx of Indians squatting on taxable lands but unwilling or unable to pay taxes themselves, and a poorly developed civic sense among the residents. These are the communities in which problems of shack towns, unemployment, and general social disorganization are likely to be especially pronounced, and where local capacities for their solution are least developed. An alternative type of frontier area, the boom town, is more hopeful in its economic prospects, but it too, as Indians flock in from the surrounding reserves, is likely to need outside help in seeking a peaceful accommodation between the sometimes competing interests of poorly trained Indians, White workers, and powerful private employers.

Should the move from the reserves in these and other circumstances prove unsuccessful in providing Indians with satisfactory living standards in terms of prevailing community conceptions of what is appropriate, the possibilities are little less than frightening. Recent marches of aggrieved Indians in Thompson (Manitoba), Kenora (Ontario), the march of the Hay Lake Indians to the provincial capital in Alberta, and the tensions described by Shimpo in his study of ethnic relations in and around Kamsack, Saskatchewan, are reminders of what may ensue more frequently and on a larger scale if adequate funds, personnel, and understanding are not applied now. Only the short range perspective of a generation which has given up responsibility for the future can explain the uneconomic postponement of action now when, relative to the conditions which may prevail, ten, twenty, and thirty years from the present, the problem is manageable.

Even if the transition from reserve to two car families and executive ulcers is as smooth as can be expected under the best of circumstances, it seems almost inevitable given the probable growth in Indian dissatisfaction generated by proximity to higher standards of living, and the probability of an increased political activism among Indians, that there will be a more frequent incidence of what are conventionally called 'trouble spots'.

In these circumstances special facilities for easing the process of social adjustment and for resolving the underlying problems causing tension will undoubtedly prove necessary.

It is to be hoped that the efforts of local communities and the provincial governments will prove adequate for the establishment of new services or the modification of existing services to meet the needs which will emerge as the tempo of off reserves movement increases. It is generally preferable, wherever agencies other than the Indian Affairs Branch prove adequate to the task, that they be employed rather than the Branch. Where positive local and provincial actions emerge they should therefore be supported by the Indian Affairs Branch. However, where they do not emerge we see no alternative to the Branch playing a leading role itself. The fact that such situations will tend to occur in off reserve contexts, and that the administration of the Indian Affairs Branch has been reserve oriented, merely indicates the necessity for a change in Branch policies, rather than constituting a legalistic argument that the responsibility lies elsewhere.

A reserve orientation for the Indian Affairs Branch was reasonable when the reserves were the sole significant focus of Indian existence. It would only continue to be justified if movement off the reserves proved almost universally successful as a 'natural' process. This, however, seems unlikely. Given the existing trend to off reserve migration and the fact that economic considerations overwhelmingly favour the continuation of such a trend, the necessity for either the direct provision of off reserve services, or the provision of indirect support to existing off reserve agencies of a moral and financial nature seems imperative. The argument that such activity merely serves to further segregate the Indian people, and that it will lead to the further growth of an organization whose ultimate purpose is to wither away are unconvincing. Succeeding generations of Canadians will doubtless prefer to face the task of dismantling an agency which has outlived its purposes rather than grapple with serious off reserve problems that its purposes did not include. Even now there is provincial criticism of the Branch for being 'most inconsistent' in its treatment of certain groups of off reserve Indians, and for being 'almost studiedly indifferent to their plight.' Inasmuch as the focal points for the success or failure of Canadian Indian policy will increasingly be found in off reserve contexts we cannot see the validity of any rationale which on principle would restrict to the reserves the operations of the only government body exclusively oriented to the Indian people.

It is recognized that there are certain dangers in the expansion of an off reserve role for the Indian Affairs Branch should existing off reserve facilities prove inadequate. The basic danger is that the creation of an off reserve administrative apparatus may constitute a constant temptation for local and provincial governments to attempt to saddle the Branch with off reserve tasks which can be competently handled by existing provincial and local agencies in the same way as for non-Indians. Whatever assumption of off reserve responsibilities ultimately proves necessary, therefore, must be carefully designed not simply to meet Indian needs, but only to meet those needs which, because of gaps in provincial and local capacities or willingness, are being insufficiently provided for by the existing array of services. Where the Branch decides that an off reserve role is unavoidable, diligent attempts must be made therefore to communicate the precise contents of that role to other agencies of government in order to ensure that they continue to employ their abilities on behalf of Indians in the areas to which their own administrative competence extends.

As the preceding has indicated, the extension of normal provincial services to Indians constitutes only a minimum goal of public policy. Over and above this a series of supplementary policies will be required to provide Indians with the capacities and effective opportunities to enable them to attain meaningful social and economic equality. A seriously disadvantaged group such as Indians will not have its problems solved by the operation of normal public programs. It has been frequently pointed out that many Indians require special education in the use of public facilities that are alien to them. Or, to put it differently, it is likely that public programs will have to seek out Indians to a much greater case than is true of the non-Indian population. Even, however, assuming the use of administrative initiative to ensure that Indians gain maximum utility from existing programs it is evident that special programs to speed up and guide the progress of social and economic change will be necessary.

For example, the educational data compiled in another section of this report clearly reveal the disabilities from which many Indians suffer in the understandings, motivations, and social background factors which so markedly affect educational performance.

Low educational attainments, a high drop out rate, and the occasional antipathy of teachers and White parents to the presence of Indian children in the classroom will not be overcome by simply ensuring the physical presence of Indian children in the classrooms of joint schools. The child leaving school will also require, in many cases, special provisions for ensuring wise vocational choices, special supports in obtaining job placement and holding such jobs once they have been initially accepted, and finally, of course, whatever supporting services prove necessary to facilitate social adjustment in the non-Indian community.

Education constitutes only one example of the need for supplementing normal community facilities by specialized services designed to overcome the deeply entrenched effects of decades of low standards of social and economic attainment. This is, of course, the philosophy behind the community development programs of the federal government and some of the Provinces.

In 1847 Commissioners Rawson, Davidson, and Hepburn, in a Report on the Affairs of the Indians in Canada, submitted to the Legislative Assembly, came to the conclusion "that the true and only practicable policy of the Government, with reference to their interests, both of the Indians and the community at large, is to endeavour, gradually to raise the Tribes within the British Territory to the level of their white neighbours; to prepare them to undertake the offices and duties of citizens; and, by degrees, to abolish the necessity for its farther interference in their affairs."[1]

More than a century later, in July, 1964, the Indian Affairs Branch declared that "the basic objective of the Federal Government in Indian Administration is to assist the Indians to participate fully in the social and economic life of Canada."

Something has gone wrong.

For a century public policy affecting Indians has suffered from the twin and related evils of an absence of widely agreed meaningful objectives, and by a relative failure of the Canadian people and their governments to provide the funds and the personnel to mount large scale positive programs of development for the Indian people.

Long range speculation on final objectives is hazardous. Little is to be gained by attempting to answer such questions as whether Indians will be 'just like everybody else' in terms of their identity, or whether their Indian identity will be fostered by the more intense interactions with White society which seem inevitable. The obsolescence which quickly overtakes catchwords such as assimilation and integration encourages us to eschew the task of defining long range objectives. Ultimately the eventual relations between future generations of Indians and Whites will be the result of innumerable private decisions. The appropriate task for government is to increase the opportunities for Indians to make meaningful choices about the kind of existence they are to have, and the pace of change which they wish to accept.

From the viewpoint of policy making it is preferable to ignore such areas of unpredictability and uncertainty, except where they intrude themselves insistently and demand answer. Wherever possible it is desirable to concentrate on a series of specific and non-controversial middle range objectives such as increasing the educational attainment of the Indian people, increasing their real income, and adding to their life expectancy. The utility of this middle range emphasis is that it provides concrete objectives, which in many cases are also quantifiable. It thus provides a useful measure for assessing the adequacy of government efforts, and by so doing makes possible a continuing scrutiny of prevailing public policies by administrators, politicians, and Indian and White members of the Canadian community. An orientation of this nature can have the immensely beneficial effect of continuously keeping before governments the scale and nature of the needs to which their policies are addressed. At the present time this beneficial effect is not being obtained because systematic comparative information is not readily available, with the consequence that it is seldom possible to state with any accuracy whether the 'Indian problem' is worsening or improving.

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[1] Montreal, 1847, Section III, p.1

In a rational society it can be assumed that the availability of accurate and precise knowledge constitutes itself into demands for action. It is on this assumption that our recommendation for the establishment of an Indian Progress Agency is based. In an earlier chapter some of the factors which have led to the growth of official interest in Indians were noted. These included what was called the 'changing nature of the Indian fact'. Facts, however, are only significant when there is constant awareness of their presence. A basic function of the Indian Progress Agency will be the provision of this constant awareness. It should be made clear that the purpose of this Agency is not to constitute itself into a forum for the reception of Indian grievances. The Agency will be devoid of administrative responsibilities, and its only sanction will come from its capacity for dispassionate analysis.

Before analysing further the nature of the Agency it is necessary to comment briefly on alternative ways which have been suggested to us for the attainment of continuing concerted efforts by governments to redress the effects of decades of public neglect.

We have rejected the idea that the administration of Indian affairs, at least at the federal level, should be rendered more autonomous by establishing some version of a public corporation charged with the special tasks of Indian administration. Freed from the day to day interference of an inquisitive democracy such a corporation could 'get on with the job'. This idea, while superficially appealing to some, is fundamentally wrong. It would be, to say the least, anomalous that no sooner had Indians been granted the capacity to directly influence Parliament via the franchise than the capacity of Parliament to influence Indian administration was emasculated. It is also unwise to sacrifice the political impetus given to Indian administration in its present setting as a Branch of government under Ministerial control for the doubtful virtues of autonomy. Finally, the task of the Indian Affairs Branch revolves to such an extent around the negotiation and making of agreements with other Departments of government at both federal and provincial levels that its isolation from the political system would constitute a distinct disservice.

It might be suggested that the creation of durable government concern will result from the pressure of organizations that now and in the future interest themselves in Indians. Ideally this is true, and in an earlier chapter the important role played by such groups as the Indian Eskimo Association was noted, as was the desirability of increasing the capacity of Indians themselves to make effective demands on government. Ideally Indians should be able to articulate their own demands, direct their own pressures, and so mobilize their own political resources and skills that they will no longer have to rely on the benevolence of powerful others located within and without government. That time has not yet arrived, and in view of the close connection that typically exists between the capacity to make effective public demands and the possession of socio-economic advantages, it is unlikely that it will arrive until the conditions which most require it have passed away. Every encouragement should be given to supporting and developing public interest, diffuse and organized, Indian and White, behind progressive government measures for the Indian people. At this stage however this is a useful rather than sufficient condition for eliciting the kind of long run systematic concern for Indians among governments which will be necessary.

Lest we be misunderstood we wish to reiterate that we are impressed by the enthusiasm which pervades the administration of Indian affairs at the federal level, and the competence with which policies are being devised and implemented. The growing interest at the provincial level is another development which encourages all advocates of a "New Deal" for Indians. Nevertheless, it is all too easy for the enthusiasm of administrators to become institutionalized into on-going programs which have lost touch with the scale of the problems which prevail. The attention of politicians is too intermittent to be relied on as a constant goad for more and better programs.

In these circumstances we have come to the conclusion that the workings of the political system in its braodest sense, including federal and provincial administrations, have to be supplemented by extra measures. Where an issue of basic and continuing public concern is at stake, an issue which defies short term efforts, it is occasionally desirable to provide special supports for particular objectives which might otherwise suffer from the normal ebb and flow of public interest. We have come to the conclusion that such is the case with respect to government policy to raise the socio-economic status of the Indian people.

It is our belief that the absence of public, cumulative, objective information on the progress of the Indian people has harmfully affected the development of policies adequate to their needs informed debate is virtually impossible when elementary data can only be obtained by massive research projects. The adaptation of policy to developing trends in the socio-economic sphere of Indian existence can be facilitated by the public availability of scrupulously objective data on a continuing basis. Where governments prove inadequately responsive to the needs which such data reveal they will have to account for their conduct before informed critics. We are convinced that much of the failure of Indian policy throughout Canadian history reflects both public and official ignorance of basic information. We have therefore become convinced that a fundamental continuing improvement of the condition of the Indian people would ensue from the provision of public measuring rods by which their position relative to the non-Indian society could be assessed.

We have rejected the idea of such a function being performed by the Indian Affairs Branch, perhaps for incorporation in its annual report. The Branch is an inappropriate instrumentality for such a task because it is unwise in principle to allow a government body to control the criteria on which its own performance will be judged. The Dominion Bureau of Statistics has been rejected because its relatively impersonal image does not provide an appropriate context from which such information should emanate. The context and source of the information is of crucial importance and should be of a nature to maximize its impact.

In view of these considerations we are inexorably led to suggest the creation of an Indian Progress Agency with the main function of preparing an annual progress report on the condition of the Indian people of Canada. This body should be an autonomous government commission independent of the Indian Affairs Branch and the provincial governments, although working closely with them in its data collecting activities. It should be placed in that category of public activity which includes judges, public corporations, and Royal Commissions. Since it will be supported by public funds it will have to report to Parliament through a Minister, a fact which will provide a desirable opportunity for its report to be subjected to parliamentary scrutiny and for its activities to be debated when its estimates are considered. We suggest that a parliamentary committee be set up to review and debate the Annual Report of Agency.

Inasmuch as its review will inevitably include information on the role of provincial governments, it might have been suggested that it should be a joint federal provincial body whose personnel would be appointed and paid by both levels of government and which would report to both levels. Practical considerations of the difficulty of obtaining quick, or any, agreement on a solution of this nature have precluded the making of such a suggestion. The traditional role of the federal government with respect to 'Indians and Lands Reserved for the Indians' provides a historic and continuing justification for attaching a body of this nature to the federal government. The Indian Progress Agency will have to work out its own relationships with the provincial governments, a task which can be successfully carried out if undertaken with skill and diplomacy. In fact, the Agency will have to establish effective relationships with various federal and provincial departments for cooperation in data collection. For the branches and departments of governments concerned, and particularly for the Indian Affairs Branch, its search for information will take up staff time to an extent that compensating increments to staff may be necessary. The importance of its function persuades us that the additional workloads it will create will be more than repaid by the contribution it makes to the progress of the Indian people.

If the new Agency is to have the impact that the importance of its task requires it will have to be composed of outstanding individuals, preferably both in terms of the prior public esteem that they bring to the agency and in terms of their capacity to develop a sophisticated understanding of the complexity of the situations that their analysis will be designed to clarify. The activities of the Agency must be such as to ensure that its work is widely reported in the Press and debated in federal and provincial legislatures. This suggests that the Agency should undertake certain supplementary activities which will have a public relations impact. The nature of these activities can best be left to the wisdom of the Agency. We do not feel it is necessary or desirable to spell out the organizational structure of such an Agency, or to add further comments on the nature of its personnel, except for the obvious point that it must have a research staff.

While there are undoubtedly wide differences in opinion between Indians and Whites, and within each group, as to the desirability of fostering pluralism or assimilation in Indian-White relations, there is no reason why such differences should affect the work of the Indian Progress Agency. Sufficient neutral goals exist in the fields of health, welfare, housing, employment, education, etc., to constitute a large and important area to which the Agency can apply itself.

The material to be included in the annual survey will have to be worked out in detail prior to the Agency's assumption of its task, and then experimentally in its initial years. The following areas, however, immediately suggest themselves for inclusion:

1. Education: The report should contain annual data on various indices of the educational status of the Indian people.

2. Economic: The report should contain annual data on the income of the Indian people, their employment, etc.

3. Legal: The report should contain annual data on the availability of federal and provincial services to Indians, changes in Indian status due to new judicial interpretations of treaties, amendments to the Indian Act, agreements with the provinces.

4. Social: The report should contain data on housing, demography, intermarriage, on reserve and off reserve ratios, various indices of social breakdown such as delinquency, prison terms, illegitimacy, alchoholism, medical, dental and health conditions.

In all cases comparative data should be used which will reveal changes over time and changes with respect to the extent to which Indian data differ from non-Indian data.

We recommend that a continuing task of the Indian Progress Agency should be the preparation and publication of surveys of the relationships of Indians to federal and provincial legislation in selected functional areas of government. This could include such topics as "Indians and Credit Facilities", "Indians and Agricultural Legislation","Indians and Roads", "Indians and Recreation Facilities", and "Indians and Adult Education". The list can be easily extended by anyone conversant with the extraordinary range of activities of the modern state.

The work of an agency of the nature described above raises the question of the usefulness of specific targets, with dates attached, against which the efficacy of government programs can be measured. In general, the utility of specific goals and timetables is questionable. The complexity of the social change which goal attainment requires defies the possibility of planning in such a precise fashion. It is also possible that a goal oriented policy of this nature contributes to the formation of a naive crash program mentality which is unlikely to succeed. Also, both specific goals and timetables lend themselves to being deflected in the direction of formal objectives. They constitute temptations to concentrate on housing at the expense of delinquency, to emphasize easy areas and to forego recalcitrant areas.

The general position which the Indian Progress Agency should adopt therefore is not to specify in detail the goals to which public policies should be oriented, or the time span within which success should be obtained, but simply to provide a continuing analysis from which various short term goals can jell in the minds of outsiders who digest the implications of the Agency's work. The long run goal is obvious and does not need spelling out. When comparative statistical data from Indian and non-Indian communities in such areas as income, education, and health reveals only insignificant differences the Agency's work can be regarded as completed.

# INDEX

A. Agriculture, 245-246.
Autonomy, 10.

B. Bands, Indian
  Assets, 68-78, 272-273, 277.
  Disorganization, 127-130, 180.
  Membership, 270-272, 276-277.
  Organization, 123-127.
  Recommended Status, 303-307.
  Revenue Sources, 281-285.
Band Council
  By-laws, 229, 267.
  Budgets, 268-270.
  Corporation, 308-309.
  Elective System, 264, 272-279.
  Leadership, 122-123, 365.
  Powers, 264-270, 292.
  Political Influence of, 380-384.
  Welfare and, 321-325.
  (See also Local Government)
British North America Act, 199, 251.
  Section 41, 225.
  Section 91, 211, 214-215, 225, 233-234.
  Section 92, 225-226, 233-234, 285.

C. Canadian Bill of Rights, 217, 217n, 219n, 233-234.
Claims Commission, 254.
Community Development, 355-356.
  and Economic Development, 33.
Confederation,
  Agreements with Provinces, 217, 231.
Courts,
  Cases, 211-232.
  (See Also subjects, eg. Trapping, Treaties etc.)
Cultural Factors,
  In Employment, 56-62.
  Survival of, 119-123.

D. Discrimination, 217-218, 225, 253, 392-393.
  In Employment, 55-56.
  In Welfare, 331-335.

E. Earnings, (see Income)
Economic Development, 22-29.
  Comparison by Band, 65-100, 135-140.
  Criticisms, 163-169.
  Entrepreneurship, 84-86.
  Lack of, 54-56.
  Major Trends, 135-144.
  Prospects by Regions, 145-162.
  Recommendations, 14-15, 182-198.
  Socio-economic Factors, 101-118.
  Socio-cultural Factors, 119-134.
  Stages of, 135-144.
  Study of, 35-44.
  and Urban Proximity, 107-109.

E. (continued)

- Economic Status, 45-64.
  - Study of, 35-44.
- Education,
  - and Economic Development, 29, 55, 101-107, 180-181.
  - Indian Affairs Branch Policy, 250.
  - Joint Agreements, 209.
  - Treaties, 245.
  - Vocational, 103.
- Employment, 21-25.
  - By Bands, 135-140.
  - and Income, 45-52.
  - Seasonal, 91-96.
  - Self-employment, 55.
  - Under-employment, 46.
- Enfranchisement, 255-262, 363-367.
  - Federal, 255-261.
  - Indian Act, Provisions, 250.
  - Indian Attitudes to, 257-259.
  - Local, 264-267, 272-279, 292.
  - Provincial, 261-262.

F.

- Federalism,
  - Canadian System, 199-210.
  - Cooperative, 206.
  - (See also British North America Act)
- Federal Government,
  - Fiscal Policy, 203-204.
  - Future Role, 193-198, 386-403.
  - Legislative Competence, 215-225, 233.
- Federal-Provincial Relations, 344, 358, 360-384, 386-403.
  - Conferences, 202, 205.
  - Coordinating Committees, 350-352.
  - Delegation of Powers, 223.
  - Disagreements, 355.
  - Re. Services to Indians, 344-349.
  - Recommendations, 15-16.
- Franchise, (see Enfranchisement)
- Fisheries Act, 216, 221, 232.

G.

- Game,
  - Legislation, 227, 232.
  - Preserves, 231.
  - Treaties, 243-244.
- Grants,
  - Conditional, 202-206, 286-288.
  - and Loans, 78-79.
  - Unconditional, 206.

H.

- Health,
  - Indian Affairs Branch Policy, 250.
  - Treaties, 246.
- Hunting, (see Game)

I.

- Income, 95-96.
  - Per Capita, 24, 282-285.
  - Real, 25.
  - (See also Employment)

I. (continued)

- Indian,
  - Definition of, 212.
  - Legal Status, 199, 211-254, 263-264, 294.
- Indian Act, 199, 207, 248-254, 263.
  - Re. Local Government, 264-273.
  - Section 39, 214.
  - Section 48-50, 230.
  - Section 66-67, 315
  - Section 80, 229.
  - Section 80-85, 315.
  - Section 87, 211, 220-222, 226-233.
  - Section 94, 218-219.
  - Section 109, 212.
- Indian Affairs Branch, 207-210, 248-254.
  - and Economic Development, 21-22, 58-62, 165-169, 193-198.
  - Education, 250.
  - Future Role, 12-13.
  - Grants and Loans, 78-79.
  - Health, 250.
  - Local Government, 263, 296-297.
  - Politics, 367-371.
  - Welfare, 112-117, 250, 316-319, 333-335, 338-342.
- Indian Lands,
  - Alienation of, 214.
  - Legal Authority over, 213, 227, 233-235.
  - Rights, 214-215.
  - (See also Reserves)
- Indian Progress Agency, 401-403.
- Infrastructure, 80-84.
- Integration, 10.
  - Economic Development, 31-33.

J.

- Joint Committees,
  - Commons and Senate, 209, 257, 267, 275, 279, 292, 330.

K.

- Kinship,
  - Affiliations, 121-122.
  - Obligations, 121-122.

L.

- Language, 364.
- Leadership, (see Band Council)
- Liquor,
  - Intoxication, 217-219.
  - Off-reserve, 217-219, 230.
  - On-reserve, 227, 244.
  - (See also Indian Act, Section 94A)
- Local Government Bureau, 298, 305-306, 311.
- Local Government - Indian, 263-311.
  - (See also Band Council)

M.

- Mayors and Municipalities,
  - Confederation of, 301.
- Methods,
  - of Report, 9.
- Migratory Birds Convention Act, 216-217, 233.
- Mobility of Indians, 297-299.
  - Labour Force, 109-112, 136-138.

M. (continued)

Municipal Government, 270, 285-291, 299.
    Associations, 302.
    Autonomy, 295.
    Expenditures, 204, 287-288.
    Legal Basis, 285-286.

N. Natural Resource Agreements, 233.

O. Occupation of Indians,
    Distribution of, 53-56, 86-90.

P. Parent-Teacher Associations,
    Indian Membership, 126.
Politics, 360-384.
    Recommendations, 17.
Population of Indians,
    Growth, 97-99.
    Mobility, 297.
    On and Off Reserves, 274-279.
Provincial Governments,
    and Economic Development, 193-196.
    Expenditures, 204-206.
    Jurisdiction, 312, 356-358.
    Legislative Competence, 224-233.
    Municipal and Indian Local Government, 294-296.
    Politics, 372-380.
    Role in Future, 386-403.
    Services, 344-350.
    Welfare, 330-335, 338-339.

R. Recommendations, Re.
    Economic Development, 14-15, 182-198.
    Federal Services, 393-395.
    General, 13-14.
    Local Indian Government, 292-311.
    Political, 17.
    Provincial and Federal Relations, 15-16.
    Provincial Services, 338-342.
    Status of Indians, 282-285.
    Welfare, 292-311.
Religion, 97-99.
    Affiliation, 130-134.
    Indian, 120-121.
    Longhouse, 126.
Research Staff, 1-4.
Reserves - Indian,
    Alienation of, 214.
    Economic Development of, 58-62.
    Legal Status of, 213.
Resources, 10-12.
    Available Capital, 72-77.
    By Bands, 135-140.
    Individual Capital, 77-78.
    Infrastructure, 80-84.
    Lands, 68-71.
    Loans, 78-80.
    Outside of Reserves, 71-72.
    Ownership of, 68-78.
    Within Reserves, 68-71.
Responsibilities, 10-12.

S.

- Self-Government - Indian, 252.
- Social Relationships,
  - Indian - non-Indian, 62-63.
- Supreme Court of Canada, 219-223, 228, 230-232.

T.

- Treaties, 213.
  - International, 219-220, 229.
  - Provisions of, 242-247.
  - with Indians, 219-220, 235-248.

W.

- Wealth,
  - Accumulation of, 24.
  - (See also Resources)
- Welfare,
  - Barriers to Extension of, 335-337.
  - Child Agencies, 325-329.
  - Definition of, 312.
  - Disagreements about, 355.
  - Discrepancies in, 320, 330.
  - Economics of, 30-31, 112-117.
  - Features of, 313-314.
  - Improvements in, 321-322.
  - Indian Act, 315.
  - Indian Affairs Branch Policy, 250, 315-322.
  - Recommendations, 17-20, 338-342.
  - Treaty Provisions, 246-248.